



YOUR ADVENTURES START NOW!

1
U.S.A.
2002

STARCAST

**MEMBER
HANDBOOK**



HELEN



MUNCH



JASPER



PASQUALLY

MEET

OUR CAST

The Italian Chef-Pasqually

is very kind, vivacious, silly, proud, and most definitely a ham. He is a bit of a jokester and prankster and (except for his cooking and singing), does not take matters of life, in general, too seriously. He is also quite a romantic. Musically, Pasqually's role in the band is to keep a steady beat with the drums and lend his operatic voice to the rock-n-roll forte of Munch's Make Believe Band.®

PASQUALLY®



HELEN HENNY®

A Spunky Young Chicken-As the only female of the group, Helen Henny has an important role to fulfill. Her talent speaks for itself - as a singer with a rich and dynamic voice, she can belt out a tune that leaves even the other band members in awe. Just as smart as she is pretty, she's aware of current events, social issues, politics and, of course, the latest fads. Off stage, she's a little wild and crazy - she loves dancing and gymnastics (hence the party dress and tennis shoes). But when it comes to schoolwork, she really shines. Her goal is to motivate and teach young children through music, entertainment, and having fun.

A Friendly Purple Monster-

Mr. Munch's name and personality seem to create an oxymoron. Although he goes by mister, he is certainly the proverbial kid of the group. He lives to eat, eat, eat, have fun, and create mischief in his unique and unpredictable ways. Mr. Munch is the epitome of the ultimate kid when it concerns antics, games, and comments. His spur-of-the-moment personality displays little regard for the future. Even though Mr. Munch is giant in size, he is not malicious or frightening. As the band leader, Mr. Munch takes his musical abilities seriously. That is not to say that he doesn't have fun with his songs and performances and causes a little trouble for the others.

MR. MUNCH®



JASPER T. JOWLES®

A Loyal Hound Dog-Jasper can be identified as a "concrete cowboy." His flashy city slicker attire barely conceals his country roots, for which he often becomes nostalgic. As the unofficial storyteller, Jasper lends a historic perspective to the group, reflecting upon their many adventures together - both real and imagined. Jasper is extremely friendly, trustworthy, honest, and true blue. His insight and common sense approach to life guide the group through many situations.

An East Coast Mouse-As the

star and spokesman, Chuck E. Cheese is characterized by his energetic, fast-talking, and enthusiastic personality. Street smarts and projected self-confidence give him the recognition and distinction he deserves. He has an entrepreneurial attitude that won't quit, and he continually seeks and embraces new challenges. However, beneath the tough worldly exterior lies a heart of gold. His sensitivity and naiveté are what endear audiences to him, young and old alike. He is fiercely protective and supportive of his pals - after all, they've been together through thick and thin. But above all - Chuck E. is the champion of kids. Their happiness is his primary concern and he spares no efforts to entertain them and fulfill their dreams and needs. Earning their love and respect is Chuck E.'s biggest thrill. It is this diverse combination of traits that gives Chuck E. his charisma and appeal.

CHUCK E. CHEESE®



CEC

entertainment, inc.



I acknowledge that I have received a copy of the CEC Entertainment, Inc. Star Cast Member Handbook ("Handbook") and have had an opportunity to ask any questions about the policies and practices described in the Handbook. I understand that it is my responsibility to read, understand and follow the policies, practices, rules and regulations explained in this Handbook. I understand that this Handbook is designed to introduce me to CEC and to serve as a guide to CEC's policies, practices and procedures. I understand that CEC has the right to modify, amend or withdraw any or all of the policies and procedures described in this Handbook at any time, other than its at-will policy, with or without notice to employees.

Although CEC hopes that all employees will enjoy a long and mutually beneficial career with CEC, I understand that there is no guarantee of future employment, employment of any length or employment under specific conditions. I understand and agree that my employment with CEC is at-will and that either CEC or I may end the employment relationship at any time and for any reason. I further understand and agree that CEC similarly reserves the right to change the compensation, duties, assignments, responsibilities or location of my job at any time, with or without cause. I agree that this constitutes the entire agreement with respect to my employment with CEC, and supersedes all prior and contemporaneous negotiations, agreements and understandings, oral or written. I understand that no representative of CEC other than the Chief Executive Officer or President has any authority to enter into any agreement contrary to the foregoing.

All Employees Are Employed "At Will" and the Company reserves the legal right to discharge or terminate employees at any time or for any reason or no reason at all. Likewise, Employees have the legal right to terminate their employment at any time and for any reason. CEC further reserves the right to change the compensation, duties, assignments, responsibilities or location of your job at any time, with or without cause. These rights may be modified only in writing signed by CEC's Chief Executive Officer or President. This Employee Handbook is not a contract and is not intended to create any contractual obligations on your part or on the part of the company. This Handbook is an employee guide. Nothing contained in the Handbook may be construed to imply a guarantee of employment for any specific period of time.

This Handbook must be returned to CEC upon resignation or termination.

Employee Name: _____

Signature: _____

Date: _____

WELCOME

CEC ENTERTAINMENT, INC. IS HAPPY TO HAVE YOU WORKING WITH US. OUR GREATEST STRENGTH IS OUR PEOPLE AND WE WILL MAKE EVERY EFFORT TO MAKE YOU A PART OF OUR TEAM. YOU WILL SOON NOTICE THAT WE ARE ON A FIRST NAME BASIS HERE—OUR MANAGERS AND EXECUTIVES ARE KNOWN BY THEIR FIRST NAMES. WE REFER TO THE MEMBERS OF OUR RESTAURANT TEAM AS "CAST MEMBERS" INSTEAD OF "EMPLOYEES" BECAUSE WE TRULY WORK TOGETHER AS A TEAM. WE ALSO REFER TO ALL THE WONDERFUL PEOPLE WHO VISIT OUR RESTAURANTS TO ENJOY OUR ENTERTAINMENT, FOOD, AND SERVICE AS "GUESTS" INSTEAD OF "CUSTOMERS" BECAUSE WE LIKE TO MAKE THEM FEEL WELCOME.

This booklet was prepared for our employees to explain what they can expect from CEC and what CEC expects from them in return. The benefits, policies, and guidelines contained in this Handbook are subject to change at any time without notice.

We are committed to open, honest communications and depend on our people to advise us of anything that gets in their way of performing at 100%.

AGAIN, WELCOME TO THE CEC TEAM!



TABLE OF CONTENTS

1

COMPANY PHILOSOPHY

- ★ Introduction
 - At-Will Employment
- ★ Company Mission
- ★ Core Values
- ★ Culture

Page 3

2

WORKPLACE AND EMPLOYMENT PRACTICES

- ★ Timekeeping / Payroll Procedures
 - Schedules
 - Pay Periods
 - Time Cards
 - Breaks
 - Requests for Time Off
 - Paychecks
 - Overtime
 - Payroll Deductions
 - Garnishments
 - Payroll Errors
- ★ Attendance
 - Tardiness
 - Absences
 - Contagious Illnesses
- ★ Work Areas
- ★ Smoking
- ★ Telephones
 - Personal Telephone Calls
- ★ Appearance Standards
- ★ Personnel Records
- ★ Promotions and Transfers
- ★ Termination Procedures
 - Termination Processing
 - References
- ★ Eligibility for Rehire
 - Bridging of Service Dates
- ★ Outside Employment

Pages 4, 5, 6, 7, 8

3

EMPLOYEE BENEFITS

- ★ Eligibility Requirements
- ★ Holidays
- ★ Vacation
- ★ Sick Pay
- ★ Leaves of Absence
 - Family and Medical Leave
 - California Pregnancy Leave
 - Personal Leave of Absence
 - Military Leaves of Absence
 - Bereavement Leave
- ★ Workers' Compensation
- ★ Jury Duty
- ★ Employee Discounts
- ★ Star Cast Members' Recognition Program
- ★ Service Awards
- ★ Chuck E. Cares Program

Pages 9, 10, 11, 12, 13

4

EMPLOYMENT POLICIES AND PROCEDURES

- ★ Equal Employment Opportunity, Anti-Harassment, and Non-Discrimination Policy
 - Statement of Policy
 - Prohibition of Discrimination and Harassment
 - Conduct Constituting Prohibited Sexual Harassment
 - Conduct Constituting Prohibited Ethnic, Racial, Discriminatory, or Sexual Joking Epithets
 - Application to the Policy to Non-CEC Employees
 - Procedures Upon Occurrence of Prohibited Conduct
 - Reporting Procedures
 - Prohibition on Retaliation
- ★ Americans with Disabilities Act
 - Guidelines
 - Procedural Channels
- ★ Communication
 - Open Door Policy
 - Bulletin Boards
 - No Solicitation Permitted
 - No Loitering Permitted
- ★ Business Ethics and Standards
 - Conflicts of Interest
- ★ Conduct and Disciplinary Guidelines
 - Probation
 - Conduct Rules
- ★ Contracts: Authorization and Custody
- ★ Confidential and Proprietary Information
 - Agreement Regarding Confidential Information
 - Failure to Follow Confidentiality Guidelines
 - Direct Request for Information

Pages 14, 15, 16, 17, 18, 19

5

SAFETY AND SECURITY

- ★ Star Cast Member's Responsibilities
 - Inspection of Premises/ Personal Belongings
- ★ On-the-Job Injuries
 - Continuation of Benefits
 - Weapons
- ★ General Security
 - Building Security
 - Parking
 - Lost and Found/ Personal Belongings
 - Emergency Procedures
- ★ Inclement Weather
- ★ Controlled Substances
 - Prescription Drugs
 - Alcohol During Working Hours
 - Compliance with State Laws

Pages 20, 21, 22

6

JOINING OUR STAR CAST MEMBER TEAM!

- ★ Chuck E. Cheese Vision
- ★ Service
 - Pizza
- ★ Hospitality and Making Magic
 - Breadsticks
- ★ Hints by Helen
 - Salad Bar
- ★ A Few Words That Go a Long Way
 - Beverage Bar
- ★ What Guests Don't Like
 - Cotton Candy
- ★ "Keep the Magic"
 - Brownie
- ★ Guest Obsession
 - Birthdays
- ★ Guest Satisfaction
 - Beer and Wine

Pages 23, 24, 25, 26

1 COMPANY PHILOSOPHY



INTRODUCTION

THIS HANDBOOK HAS BEEN WRITTEN TO PROVIDE STAR CAST MEMBERS WITH INFORMATION CONCERNING CERTAIN BENEFITS, POLICIES, AND GUIDELINES, AND HOW THEY AFFECT OUR EMPLOYEES. IT WILL HOPEFULLY ANSWER COMMON QUESTIONS ASKED BY EMPLOYEES. PLEASE READ IT CAREFULLY AND ASK QUESTIONS WHEN YOU ARE UNSURE OF A PARTICULAR ISSUE. THE POLICIES AND PRACTICES IN THIS HANDBOOK ARE NOT INTENDED TO CREATE ANY LEGALLY ENFORCEABLE OBLIGATIONS ON THE PART OF CEC ENTERTAINMENT, INC. ("CEC"), ITS OFFICERS, DIRECTORS, OR EMPLOYEES.

THIS HANDBOOK APPLIES TO ALL "STAR CAST MEMBER" EMPLOYEES. "STAR CAST MEMBERS" ARE DEFINED AS HOURLY RESTAURANT EMPLOYEES WHO ARE NOT "RESTAURANT OPERATIONS MANAGERS." "RESTAURANT OPERATIONS MANAGERS" ARE DEFINED AS AREA DIRECTORS, DISTRICT MANAGERS, GENERAL MANAGERS, SENIOR MANAGERS, MANAGERS, ASSISTANT MANAGERS, REGIONAL TECHNICIANS, DISTRICT TECHNICIANS, MULTI UNIT TECHNICAL MANAGERS AND TECHNICAL MANAGERS. HEREINAFTER, ANY REFERENCES IN THIS HAND-BOOK TO "EMPLOYEE(S)" SHALL MEAN STAR CAST MEMBER(S).

BECAUSE CEC IS HEADQUARTERED IN TEXAS, THIS HANDBOOK IS DESIGNED TO ABIDE BY FEDERAL LAW AND THE LAWS OF THE STATE OF TEXAS. TO THE EXTENT THAT STAR CAST MEMBERS ARE LOCATED OUTSIDE THE STATE OF TEXAS, IT IS CEC'S INTENTION TO ABIDE BY ALL APPLICABLE STATE AND LOCAL LAWS.

CEC ENTERTAINMENT, INC COMPANY MISSION

(August 1998)

WE DEDICATE OURSELVES, WITHIN THE NEXT FIVE YEARS, TO BECOME THE PREMIER GROWTH COMPANY IN THE ENTERTAINMENT AND RESTAURANT INDUSTRY BY OPERATING MULTIPLE CONCEPTS WITH EACH BEING THE NUMBER 1 BRAND IN ITS SEGMENT.

CORE VALUES

- We believe in the inherent worth of the individual.
- Our greatest asset is our people.
- We demand of ourselves, and others we deal with, the highest level of integrity.
- Teamwork is essential. Working together doesn't only bring out the best in all of us, it brings out the best in each of us.
- Life is short. Have fun playing on a GREAT TEAM!

AT-WILL EMPLOYMENT

All employees are employed "at-will" and the Company reserves the legal right to discharge or terminate employees at any time or for any reason or no reason at all. Likewise, Employees have the legal right to terminate their employment at any time and for any reason. CEC further reserves the right to change the compensation, duties, assignments, responsibilities or location of your job at any time, with or without cause. These rights may be modified only in writing signed by CEC's Chief Executive Officer or President. This Employee Handbook is not a contract and is not intended to create any contractual obligations on your part or on the part of the company.

**This Handbook is an employee guide.
Nothing contained in the Handbook may be**

**construed to imply a guarantee of
employment for any specific period of time.**

This Handbook replaces all earlier CEC handbooks, and takes precedence over all earlier memoranda and oral descriptions of CEC's personnel policies, practices, and procedures. To avoid confusion, please discard and recycle any old manuals and handbooks you may have.

OUR CULTURE

We recognize that first, and foremost, we are an operating company totally committed to achieving our operating mission.

EVERY GUEST LEAVES HAPPY!

We pride ourselves and dedicate our efforts to always have the BEST PRODUCT in the marketplace, operated and supported by the BEST

PEOPLE in the industry.

We are focused with an uncompromising approach to EXCELLENT ACHIEVEMENT of our goals and objectives.

Our management style is to provide crystal clear DIRECTION, SUPPORT our people, foster AUTONOMY, and promote two-way ACCOUNTABILITY.

Our primary measure of performance is SALES, while recognizing our obligations to produce an excellent return on capital and maximize SHAREHOLDER VALUE.

Our concepts will be characterized by QUALITY entertainment and food service, FUN activities, while giving EXCEPTIONAL VALUE and satisfaction to our Guests.

2 WORKPLACE & EMPLOYMENT PRACTICES

TIMEKEEPING / PAYROLL PROCEDURES

PAY PERIODS

Time cards and timesheets cover a pay period of two weeks (or one week where state guidelines require it.) Paydays are every other Friday, or as required by state law. Our workweek begins at 12:00 am on each Monday and ends at 12:00 midnight the following Sunday. There is a one week delay between generating and distributing payroll checks, therefore, the current week is not included on your paycheck when it is received.

TIME CARDS

Hourly employees must log into a register to record when a shift begins and ends to record their time. These time records must be approved by the General Manager prior to being forwarded to the payroll department. Absences for sick leave, vacation, jury duty, and bereavement leave must be recorded on the time card or timesheet. If the employee does not have sufficient leave earned to cover the missed hours, they will not receive pay for those hours.

If these established procedures are not followed, it may result in a disciplinary action or termination. Falsification of time records for yourself or others is a violation of CEC policy and may result in disciplinary action or termination.

SCHEDULES

WRITTEN WORK SCHEDULES WILL BE POSTED IN THE STAR CAST MEMBER'S BREAK AREA BY FRIDAY FOR THE WORK WEEK COMMENCING THE FOLLOWING MONDAY. ONLY RESTAURANT OPERATIONS MANAGERS ON DUTY ARE AUTHORIZED TO MAKE CHANGES TO POSTED SCHEDULES. CHECK YOUR SCHEDULES DAILY.

AT TIMES YOU MAY BE ASKED TO COME IN EARLY AND THERE MAY BE TIMES WHEN IT IS NOT POSSIBLE, DUE TO BUSINESS DEMANDS, FOR YOU TO LEAVE EXACTLY AT THE END OF YOUR SCHEDULED SHIFT. IF BECAUSE OF PRIOR COMMITMENTS, YOU WILL NEED TO LEAVE AT THE END OF YOUR SCHEDULED SHIFT, YOU WILL NEED TO NOTIFY A RESTAURANT OPERATIONS MANAGER PRIOR TO THE BEGINNING OF YOUR SHIFT. ALSO, DUE TO CHANGES IN STAFFING NEEDS, YOU MAY BE NOTIFIED IN ADVANCE NOT TO COME TO WORK.

BREAKS

Star Cast Member meal and rest breaks will be scheduled as business and shift coverage permits, and in compliance with federal, state, and local guidelines, including those concerning minors.

Employees cannot "save" breaks for use at the end of the workday to allow the employee to leave early.

REQUESTS FOR TIME OFF

Occasionally matters occur in your personal life that require for you not to be scheduled on a particular day. When this happens, you will need to submit a written "Day off request" two weeks prior to the requested time off.

If you cannot give two weeks notice when a day off is needed, it will be your responsibility to find another Cast Member to work your shift. When you find another Cast Member to work a scheduled shift, notify your Restaurant Operations Manager in order for him or her to change the schedule. Restaurant Operations Managers are the only employees authorized to make changes to the schedule.

OVERTIME

HOURLY/NON-EXEMPT EMPLOYEES ARE PAID ON AN HOURLY BASIS AND RECEIVE OVERTIME PAY FOR TIME WORKED

IN EXCESS OF 40 HOURS PER WORKWEEK OR ACCORDING TO APPLICABLE STATE GUIDELINES. PAID LEAVE INCLUDING VACATION, SICK PAY, JURY DUTY PAY, BEREAVEMENT PAY, ETC IS NOT INCLUDED IN THE CALCULATION OF OVERTIME. OVERTIME IS PAID AT ONE AND A HALF TIMES THE EMPLOYEE'S REGULAR RATE OF PAY FOR HOURS WORKED IN EXCESS OF 40 HOURS IN A SINGLE

WORK WEEK, UNLESS DICTATED OTHERWISE BY STATE GUIDELINES. TO WORK OVERTIME, AN EMPLOYEE MUST OBTAIN PERMISSION FROM THEIR IMMEDIATE SUPERVISOR.



Note: In California, hourly employees are eligible to receive overtime for hours worked in excess of 8 hours in one day or 40 hours in one week.

PAYCHECKS

To pick up your paycheck, ask the cashier to see the manager on duty. Please do not walk into the kitchen to find the manager. If possible, please pick up your paycheck on your next working day. Paychecks may not be cashed at the restaurant.

Note: It may take as long as one week to re-issue a lost paycheck. This delay takes place in order to allow the payroll department time to ensure the original check has not already cleared the bank and if not, place a stop payment on the check.

PAYROLL DEDUCTIONS

Federal and state laws require CEC to withhold these taxes from your wages:

- Federal Income Tax;
- Federal Insurance Contributions Act (FICA) (Social Security/Medicare Taxes);
- State Payroll Taxes, where applicable.

In addition, if you enroll in the Employee Health Benefits Plan, deductions will be made for the appropriate premiums.

If you need to change the information on

ATTENDANCE

ONE OF THE BASIC INDICATORS OF YOUR PERFORMANCE IS REGULAR ATTENDANCE. YOU MUST BE ON TIME. WHENEVER YOU ARE UNABLE TO COME TO WORK OR IF YOU ARE GOING TO BE MORE THAN 10 MINUTES LATE, YOU MUST INFORM YOUR IMMEDIATE SUPERVISOR AS SOON AS POSSIBLE.

your W-4 form for purposes of federal withholding, those forms are available from the Payroll Department.

GARNISHMENTS

CEC must comply with any court order to garnish your wages. A garnishment will reduce the amount of your take home pay.

PAYROLL ERRORS

Please review every paycheck to ensure that all information on it is correct, including your pay rate, deductions, and the hours worked during that pay period. Please have your supervisor contact the payroll department, if you believe there is an error on your paycheck. Payroll will promptly correct the problem. You are required to return to CEC any overpayment for time you did not work.

TARDINESS

You must arrive at your work locations dressed in the proper uniform and ready to start work at the beginning of your authorized shift or after any authorized meal or rest break. Repeated or excessive tardiness may lead to disciplinary action or termination. Excessive tardiness includes being frequently or unnecessarily late, or if a pattern of tardiness is demonstrated.

Remember: Reliable transportation to and from work was an important factor in your selection for employment.

ABSENCES

If you are sick or injured and cannot come to work, CEC needs your cooperation to properly cover your job duties. Therefore, you must notify your restaurant operations manager as soon as you know you will be unable to go to work, and no later than two hours prior to the beginning of your scheduled work shift. If you are unable to return to your next scheduled work shift, you must notify the Restaurant Operations Manager on duty for each shift you will miss at least two hours prior to the beginning of each scheduled shift. If you are absent from your shift without notifying the Restaurant Operations Manager on duty, CEC will assume that you have voluntarily resigned from your employment. Excessive absences or failure to report absences on a timely basis, may lead to disciplinary action or termination.

CONTAGIOUS ILLNESSES

To protect our Guests and fellow Star Cast members, you may not come to work if you possibly have been exposed to or have a contagious condition. In accordance with the current CEC sick leave policy, management reserves the right to request proof of illness.

If you become ill at work, notify your Restaurant Operations Manager on duty immediately.

If you are required to wear a protective bandage that presents a health or sanitation problem, you will not be allowed to work.

TELEPHONES

Telephones should be answered within three rings with a welcoming, friendly voice. Answer with the Chuck E. Cheese greeting:



PERSONAL TELEPHONE CALLS

Our telephones are for business use only. Please ask your friends, family, and business contacts not to call you at work unless it is an emergency. Personal cellular phones and pagers are not permitted while you are at work.

APPEARANCE STANDARDS

HAT/VISOR: All Star Cast Members will wear a clean, company-issued hat or visor while on duty.

MAKEUP: Makeup is to be limited and conservative.

SHIRTS: Must be kept clean and wrinkle free. Only the top button may be open. No T-shirts are to be visible under your shirt.

JEWELRY: Due to safety and health conditions, no excessive jewelry will be worn. One necklace may be worn, but must be worn inside your shirt. You may have one watch or a bracelet on each arm. You may have one ring on each hand. Females only may wear post style earrings (no dangling earrings), one in each ear. Males may not wear earrings. No visible body piercing (nose, tongue, lips, etc) will be considered acceptable.

SOCKS: Socks are to be clean and white. Crew socks (calf height) are worn with shorts.

NOTE: During the winter months, Star Cast Members located at the front order counter may wear a plain white cardigan sweater.



HAIR: Outlandish hairstyles or colors are not permitted. Hair is to be neatly maintained for sanitary and business image reasons.

FEMALE: Hair that is longer than shoulder length must be tied back, braided or bunned. Bangs are to be above the eyebrows.

MALE: Hair is to be clean, no longer than half of the shirt collar, and midway across the ear. Hair falling down on the forehead must be above the eyebrows. Mustaches may be worn but must not extend below the corner of the mouth. No beards are permitted. Sideburns may not extend below the bottom of the ear.

PERSONAL HYGIENE: Hands must be washed at all times. Fingernails must be clean and trimmed. Clear or conservative polish may be acceptable subject to the discretion of the Management. No offensive body odors will be tolerated.

TATTOOS: No visible body tattoos will be considered acceptable.

NAME BADGES: Every Star Cast Member must wear a nametag while on duty. You will be issued a red and white oval nametag with your first name printed on it. No nicknames will be acceptable.

BELT: A belt must be worn. It should be black or brown and leather-like with a conservative buckle.

SHORTS/PANTS: Clean blue pants or shorts are to be worn per your position. They must meet with approved guidelines set by your manager. Gameroom attendants may wear black pants or shorts when wearing the approved gameroom shirt. Shorts should never be more than two inches above the knee.

SHOES: Shoes must be clean, predominantly white, closed toe, low top, and have matching shoelaces. (Leather is easier to keep clean.)

Our appearance will make a lasting impression on each guest you come into contact with; therefore, the manager on duty will inspect your uniform daily to insure that it meets or exceeds CEC standards in the areas of cleanliness, accuracy, and neatness.

You should always be neat and clean in accordance with generally accepted personal

hygiene standards. Star Cast Members are required to follow safety regulations regarding shoes and apparel for their work area.

For security reasons absolutely no changing will be allowed on CEC property before or after your shift. You must arrive to the store in full uniform. Moderation in dress and grooming is required. No extreme hairstyles or excessive make-up or jewelry will be allowed.

WORK AREAS

YOU ARE EXPECTED TO MAINTAIN YOUR WORK AREA IN A NEAT, CLEAN AND PROFESSIONAL MANNER. YOU MAY NOT DISPLAY MATERIALS WHICH COULD BE CONSIDERED OFFENSIVE TO FELLOW EMPLOYEES, INCLUDING THOSE OF A SEXUAL, RACIAL, OR OFFENSIVE NATURE.

PERSONNEL RECORDS

CEC keeps a personnel file on each employee. Star Cast Member's files are maintained in the restaurant until promoted to management or employment is terminated. The contents of your files are open for your inspection at scheduled times and at reasonable intervals. Speak with your manager to schedule an appointment to view your personnel file.

Any changes to your personal data, such as address, telephone number, marital status, or number of dependents must be submitted in

writing to the Human Resources Department. Separate employee benefit files are maintained in the Support Center by the Benefits Department.

Personnel Files are the property of CEC and access to personnel files is restricted to: the CEO, President, Human Resources or Legal staff, and when appropriate, the employee's supervisor, District Manager or Regional Vice President.

There are specific times when personnel or

benefit files may be given to other persons inside or outside the Company. These situations include:

- In response to a subpoena, court order, or order from an administrative agency;
- To a governmental agency as part of an investigation by that agency of CEC's compliance with applicable law;
- In an investigation, lawsuit, administrative proceeding, grievance, or arbitration in which you or CEC is a party or a witness;
- In a workers' compensation proceeding;
- To administer employee benefit plans;
- To a health care provider or safety personnel; and
- To a prospective employer or other person requesting a verification of your employment, but only if: (a) you give us a written release allowing us to give out information; or (b) we are providing only the fact that you were employed by CEC, the dates of your employment and your present or last job title.

SMOKING

WE ARE PROUD TO PROVIDE A "SMOKE FREE" WORK ENVIRONMENT FOR ALL EMPLOYEES.

SMOKING IS STRICTLY PROHIBITED IN ALL RESTAURANTS.

YOU MAY SMOKE ONLY DURING YOUR SCHEDULED MEAL AND REST BREAKS IN THE DESIGNATED SMOKING AREA OUTSIDE THE PREMISES. EMPLOYEES ARE NOT ALLOWED TO SMOKE DIRECTLY IN FRONT OF OUR RESTAURANTS.

PLEASE DISPOSE OF CIGARETTE BUTTS IN THE PROPER RECEPTACLES AND WASH YOUR HANDS BEFORE RETURNING TO WORK.



TERMINATION PROCEDURES

When you accept employment with CEC, there is no employment contract. You are free to terminate your employment with CEC at any time, with or without a reason, and CEC has the right to terminate your employment or the employment of others at any time with or without a reason. This is called "at-will" employment.

As a courtesy to the restaurant, not as a requirement, we ask that employees give a two week notice to the Management prior to terminating employment.

TERMINATION PROCESSING

Star Cast Members should have an exit interview with a member of management. Star Cast Members should also return all CEC property prior to receiving their last paycheck.

REFERENCES

All employment references are referred to Human Resources. No one else is authorized or permitted to give employment references. The only information revealed in an employment reference is the following: 1) The employee was employed by CEC 2) The employee's dates of employment, and 3) The employee's current or most recent job title. Verification of earnings will be provided only with the employee's prior approval or pursuant to a lawful court order, subpoena or request by governmental agency.

ELIGIBILITY FOR REHIRE

If you should leave CEC, you may be eligible to apply for employment with us in the future. To be considered eligible for rehire, your employment record should show good performance and no

serious disciplinary problems. If you resign from CEC without giving adequate notice (two weeks is generally considered adequate), you may not be eligible for rehire. If you are terminated for misconduct, you may not be eligible for rehire.

OUTSIDE EMPLOYMENT

A FULL TIME STAR CAST MEMBER SHOULD DISCUSS HIS OR HER INTENTIONS TO WORK A PART TIME POSITION OUTSIDE OF CEC WITH HIS OR HER SUPERVISOR TO DETERMINE WHETHER OTHER EMPLOYMENT WILL PRESENT A CONFLICT OF INTEREST. SHOULD YOUR PERFORMANCE OR ATTENDANCE DETERIORATE UPON ASSUMING OUTSIDE EMPLOYMENT, YOU MAY BE ASKED TO CEASE THE OTHER EMPLOYMENT OR RESIGN FROM YOUR EMPLOYMENT WITH CEC.

IF YOU ARE A PART TIME STAR CAST MEMBER, WE ASK THAT YOU ADVISE YOUR SUPERVISOR IF YOU ARE EMPLOYED IN A PART TIME OR FULL-TIME CAPACITY OUTSIDE OF CEC. IF THAT EMPLOYMENT IS DEEMED TO BE IN CONFLICT WITH YOUR CEC EMPLOYMENT, OR IF YOUR PERFORMANCE OR ATTENDANCE SUFFERS AS A RESULT, YOU MAY BE ASKED TO CEASE THE OTHER EMPLOYMENT OR RESIGN FROM YOUR EMPLOYMENT WITH CEC.

BRIDGING EMPLOYMENT SERVICE DATES

If you voluntarily resign from CEC and later return to work for CEC, you may apply for a bridging of employment service dates if you meet the following requirements:

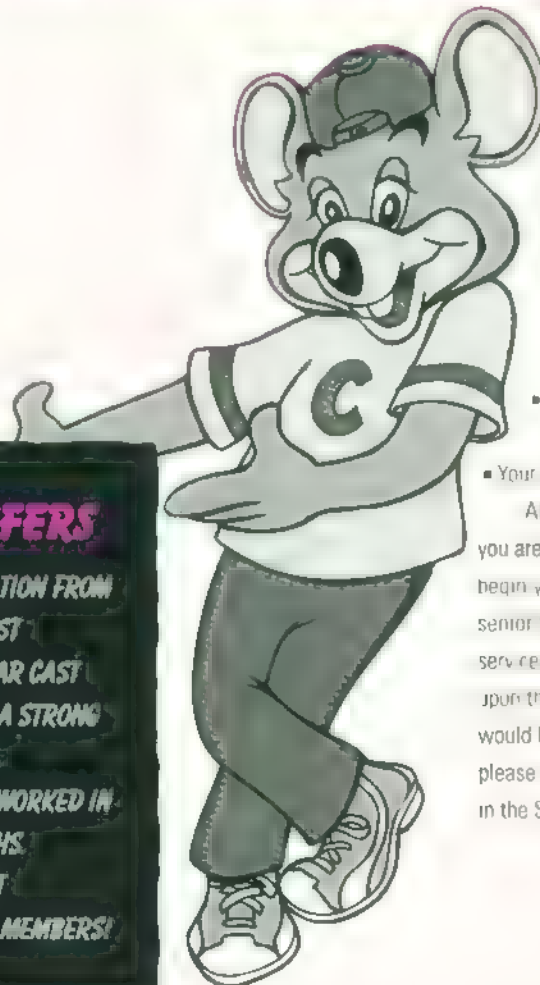
- You return within six months of your resignation.
- Your resignation was given with adequate notice to your supervisor and
- Your performance record was good.

Although you cannot accrue seniority while you are away from CEC, bridging allows you to begin your "second term" without losing the seniority status you had when you left. Your service date or start date will be adjusted based upon the amount of time you were gone. If you would like to be considered for bridging of service, please contact the Human Resources Department in the Support Center.

PROMOTIONS & TRANSFERS

CEC HAS A POLICY OF EMPHASIZING "PROMOTION FROM WITHIN." CEC STRIVES TO PROMOTE STAR CAST MEMBERS INTO OPEN POSITIONS WHEN A STAR CAST MEMBER IS QUALIFIED AND HAS DISPLAYED A STRONG WORK PERFORMANCE. TO BE ELIGIBLE FOR A PROMOTION OR TRANSFER, YOU MUST HAVE WORKED IN YOUR CURRENT POSITION FOR SIX (6) MONTHS.

A LARGE PORTION OF OUR CURRENT MANAGEMENT TEAM STARTED AS STAR CAST MEMBERS!



3 EMPLOYEE BENEFITS

CEC OFFERS A WIDE VARIETY OF EMPLOYEE BENEFITS TO HELP ROUND OUT YOUR OVERALL EMPLOYMENT PACKAGE. THESE BENEFITS ARE OUTLINED BELOW FOR YOUR INFORMATION. PLEASE BE ADVISED THAT ALL BENEFITS ARE SUBJECT TO CHANGE AT ANY TIME. PLEASE REVIEW ALL BENEFIT UPDATES AND CHANGES IN COMPANY NEWSLETTERS, BULLETIN BOARD POSTINGS, MEMOS, ETC.



ELIGIBILITY REQUIREMENTS

Eligibility for the following benefits is dependent upon several factors including, but not limited to length of service with the Company, and full-time vs. part-time status. Any Star Cast Member who is regularly scheduled to work at least 35 hours per week is considered a full-time Star Cast Member. Any Star Cast Member who is regularly scheduled to work less than 35 hours per week is considered a part-time Star Cast Member. You may obtain details and eligibility requirements by contacting the Benefits Department at (972) 258-5496 or (972) 258-5463.

For detailed information regarding the following benefits, please refer to CEC's Benefits Handbook. The Handbook is intended only as a summary of what is available.

- Health Plan (Medical/Dental/Prescription Drugs/Vision)
- Life Insurance & Accident Benefit
- Flexible Spending Accounts for Medical Expenses & Dependent Care
- 401(k) Retirement Plan

In addition to the benefits listed in your Benefits Handbook, CEC also offers further benefits to its employees. These benefits are summarized in the following sections:

- Holiday Pay
- Vacation Pay
- Sick Pay
- Leave(s) of Absence
 - A. Family and Medical Leave
 - B. California Pregnancy Leave

- C. Personal Leave of Absence
- D. Military Leaves of Absence
- E. Bereavement Leave
- Workers' Compensation
- Jury Duty Pay
- Recognition Program
- Chuck E. Case's Program

HOLIDAYS

Our restaurants are closed on Thanksgiving Day and Christmas Day. All Star Cast Members with at least six months of employment with CEC who work on New Year's Day or Easter will be paid at a rate of one and one-half times their regular rate of pay. Star Cast Members working on New Year's Day or Easter with less than six months employment with CEC will be paid at their regular rate of pay.

Note: Religious Observances Accommodation Policy – CEC will attempt to accommodate the religious and cultural observances and practices of its employees. Requests for time off for religious and cultural observances, except as provided on the holiday schedule, will be treated on an individual basis, and accommodation will be afforded so long as such can be accomplished without undue hardship to business operations. Examples of reasonable accommodations include the use of voluntary substitutes and swaps, flexible scheduling, or temporary changes in job assignments. Employees are required to notify their supervisors in writing of any requested days off for religious observations at least thirty (30) days prior to the requested absence.

VACATION

Full-time hourly Star Cast Members earn vacation hours based upon the hours worked each pay period and the Star Cast Member's length of service. The formula for earning vacation is:

LENGTH OF SERVICE IN YEARS	VACATION EARNED PER HOUR WORKED
1-9 —————→ .0385 (Average 2 weeks per year)	
10 —————→ .0577 (Average 3 weeks per year)	

Vacation pay is only earned for each hour worked and any vacation or holiday benefit paid. While vacation hours are set aside each pay period, the vacation hours are not earned until the pay period when a Star Cast Member reaches his/her anniversary date of employment. If a full-time Star Cast Member does not earn at least seventy vacation hours per year, he/she will earn no paid vacation. Vacation will not be earned on sick pay or overtime pay. Vacation pay is compensated based upon a Star Cast Member's hourly rate at the time that the vacation is taken. The rate at which vacation is earned may be affected by a lengthy absence.

It is your responsibility to plan your vacation and take your time off. Vacations must be scheduled 30 days in advance with your General Manager. If work schedules do not permit your

absence at your requested date, your supervisor may ask you to choose an alternative date. The earlier you request your scheduled vacation the better, so that you can avoid conflicts with others in your restaurant. If you fail to timely schedule earned vacation, CEC may schedule your vacation time.

Your earned vacation must be used each year; you will lose any earned vacation time that has not been used prior to your next anniversary date. Four weeks prior to the end of your employment anniversary date, you must give your Restaurant Operations Manager notice of vacation time not taken so a vacation can be scheduled. California employees, while permitted to carry over earned vacation to the next anniversary year, cannot accrue more than the maximum accrual benefit (2 weeks).

Vacation requests must be submitted in writing and approved by your General Manager who will forward the approved request to Payroll. Cash payment rather than vacation time off will not be authorized. Should you leave the Company for any reason, you will be paid for any earned vacation time not yet taken from the previous anniversary date.

SICK PAY

Star Cast Members are eligible for Sick Pay after six months of continuous, full-time employment. Part-time Star Cast Members are not eligible for Sick Pay. Full-time Star Cast Members will earn 20 hours of Sick Pay after six months of employment and will continue to earn Sick Pay each month thereafter for a total of 40 hours per anniversary year. Upon each anniversary date, CEC will grant eligible Star Cast Members five days of Sick Pay that can be used during the following 12 months.

Sick Pay cannot be carried forward from one year to the next, and you will not be paid for unused Sick Pay. You cannot receive pay in lieu of sick leave not taken. Sick Pay may be used for your personal illness, for doctor and dentist appointments, and for

you to care for a sick child or spouse living in your household.

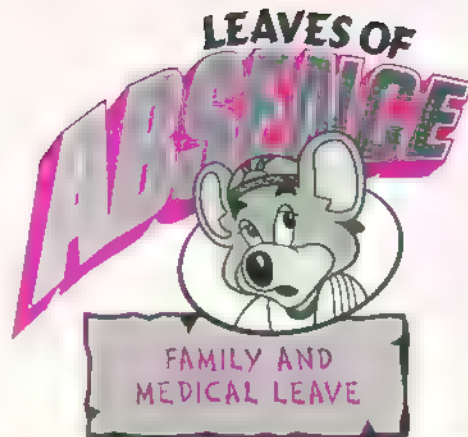
If you miss work because of illness (your own or that of a child or spouse living in your household), CEC may ask you to do one or more of the following:

- Provide CEC with a doctor's certificate as a condition of your receipt of Sick Pay,
- Undergo a physical examination, by a physician selected and paid by CEC, to determine your fitness to return to duty, or
- Obtain a doctor's certification that you can safely perform all of the essential duties of your position, with or without reasonable accommodation, before you are allowed to return to work.

If you must be absent, you are to notify your supervisor at least two hours before your scheduled shift or work schedule to be entitled to receive Sick Pay for that day of absence (unless, of course, you are in an emergency situation).

Upon returning to work, you must complete a Record of Absence form to record your use of Sick Pay. This form must also be signed by your supervisor before being forwarded to the Payroll Department.

**"IF YOU HAVE ANY QUESTIONS
CONCERNING SICK PAY, PLEASE
CONTACT HUMAN RESOURCES."**



It is CEC's policy to grant up to 12 weeks of family and medical leave during any 12 month period to eligible employees, in accordance with the Family and Medical Leave Act of 1993 ("FMLA"). During this leave, an eligible employee is entitled to continue group health plan coverage as if the employee had continued to work. At the conclusion of the leave, an employee generally has the right to return to the same or an equivalent position, subject to some exceptions.

An employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over a twelve month period), or under certain circumstances, may use the leave to reduce the work week or work day. If an employee is granted a leave of absence on an intermittent or reduced-schedule basis, CEC may require the employee to temporarily transfer to an alternative position that accommodates the employee's recurring absences or part-time schedule.

CEC's leave policy is intended to comply with the Family and Medical Leave Act. To the extent that any provision conflicts with federal or state law, CEC will follow any such applicable law(s).

EMPLOYEE ELIGIBILITY CRITERIA

To be eligible for FMLA leave under this policy, an employee must meet all of the following conditions:

- The employee must have worked for CEC for 12 months, or 52 weeks. The 12 months, or 52 weeks, need not be consecutive.
- The employee must have worked at least 1250 hours during the 12-month period immediately before the date when the leave is requested to begin.
- The employee must work in a location where 50 or more employees are employed by CEC within 75 miles of that location(s).

TYPES OF LEAVE COVERED

In order to qualify as FMLA leave under this policy, the employee must be taking leave for any one, or a combination, of the following reasons:

- The birth of a child or to care for a newborn child,
- The placement of a child for adoption or foster care, and/or to care for the newly placed child,
- To care for a spouse, child or parent with a serious health condition,
- The employee's own serious health condition which makes the employee unable to perform one or more of the essential functions of the employee's job

A serious health condition is defined as a condition which requires inpatient care at a hospital, hospice, or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or a condition which requires continuing care by a licensed health care provider.

This policy covers illness of a serious and long-term nature, resulting in a recurring or lengthy absence. Generally, a chronic or long-term health condition which, if left untreated, would result in a period of incapacity of more than three days, would be considered a serious health condition. Minor illnesses which last only a few days, or surgical problems that do not require

hospitalization or require only a brief recovery period, may not qualify as a serious health condition.

Employees with questions about what illnesses or conditions are covered under this FMLA policy are encouraged to consult with Human Resources.

LIMITATIONS ON FMLA LEAVE

An employee on FMLA leave may not engage in other employment during the leave of absence. If an employee engages in other work or employment during the leave of absence, the employee is considered to have voluntarily terminated employment with CEC.

If both spouses are employed by CEC, and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to take care of a parent (but not a "parent-in-law") with a serious health condition, the spouses may only take a combined total of 12 weeks of leave.

STATUS OF BENEFITS

During FMLA leave, an employee is entitled to continue group health benefits coverage under the same conditions as if the employee had continued to work. During any period of unpaid leave, the employee will be responsible for coordinating

premium payments for these benefits with the Benefits Department. CEC may require employees to reimburse the Company for any amounts it paid to maintain the employee's health benefits during the leave period.

If an employee has accrued or earned paid leave, CEC may require that the employee first use paid leave and then take the remainder of the twelve weeks as unpaid leave.

If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member or a circumstance beyond the employee's control, CEC may require the employee to reimburse CEC for any amounts it paid to maintain the employee's health benefits during the leave period.

RETURN FROM FMLA LEAVE

Upon return from an FMLA leave, an employee will be placed in the same position the employee held before the leave or an equivalent position with equivalent pay, benefits and other employment terms.

Any questions about CEC's FMLA leave policy should be directed to Human Resources.

PROCEDURE FOR REQUESTING FMLA LEAVE

ALL EMPLOYEES REQUESTING LEAVE UNDER THIS POLICY SHOULD COMPLETE, SIGN AND SUBMIT AN APPLICATION FOR FAMILY MEDICAL LEAVE OF ABSENCE TO THE HUMAN RESOURCES. WHEN THE NEED FOR FMLA LEAVE IS FORESEEABLE OR ANTICIPATED, SUCH AS A PLANNED MEDICAL TREATMENT OR FOR THE CARE OF A NEWBORN CHILD, THE EMPLOYEE SHOULD SUBMIT THE APPLICATION TO HUMAN RESOURCES NOT LESS THAN 30 DAYS BEFORE THE DATE THE LEAVE IS EXPECTED TO BEGIN. IF THE NEED FOR LEAVE IS NOT FORESEEABLE, THE EMPLOYEE SHOULD SUBMIT THE APPLICATION TO HUMAN RESOURCES AS FAR IN ADVANCE AS POSSIBLE FROM THE DATE THE LEAVE IS TO BEGIN.

CEC WILL NOTIFY THE EMPLOYEE THAT THE LEAVE HAS BEEN APPROVED AS FMLA LEAVE. CEC MAY PROVISIONALLY DESIGNATE THE EMPLOYEE'S LEAVE AS FMLA LEAVE IF CEC HAS NOT RECEIVED MEDICAL CERTIFICATION OR CEC HAS NOT OTHERWISE BEEN ABLE TO CONFIRM THAT THE EMPLOYEE'S LEAVE QUALIFIES AS FMLA LEAVE. IF THE EMPLOYEE HAS NOT NOTIFIED CEC OF THE REASON FOR THE LEAVE, AND THE EMPLOYEE DESIRES THAT THE LEAVE BE CONSIDERED FMLA LEAVE, THE EMPLOYEE MUST NOTIFY HUMAN RESOURCES WITHIN 2 BUSINESS DAYS OF THE EMPLOYEE'S RETURN TO WORK THAT THE LEAVE WAS FOR AN FMLA REASON.

LEAVE IN CALIFORNIA FOR DISABILITIES DUE TO PREGNANCY OR PREGNANCY RELATED CONDITIONS

California employees who become unable to perform the essential duties of their position due to a pregnancy related disability are eligible for a leave of absence up to four months. Employees must submit, with a Request for Leave of Absence, written certification from their health care provider containing the following information:

1. The date on which the disability began or will begin,
2. The probable duration of the condition, and
3. A statement that, due to the employee's pregnancy related disability, the employee is (or will be) unable to perform the essential functions of her position.

If the employee needs additional leave after

the time stated in the original certification, the employee must submit re-certification containing the information outlined above.

Employees must provide at least 30 days advance written notice to the Human Resources Department unless the need for leave was unforeseeable. For unforeseeable events, employees must notify the Human Resources Department as soon as they learn of the need for leave. If the need for leave is due to a planned medical treatment or supervision, the employee must make a reasonable effort to schedule the treatment or supervision to avoid disruption to the operations of CEC, subject to the approval of her health care provider. Failure to comply with these notices rules may result in the denial or deferral of the requested leave.

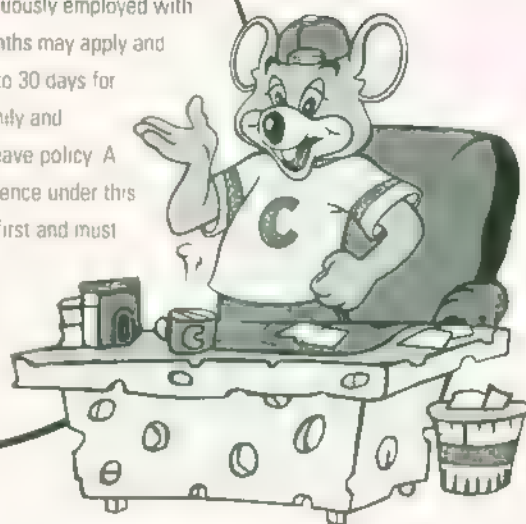
Employees ready to return to work must present certification from their physician that they are able to safely perform all of the essential functions of their position, or can do so with reasonable accommodation. Employees granted a pregnancy disability leave will be reinstated to the same or equivalent position at the end of the leave, except as permitted by law. If an employee fails to return to work immediately after the period of the approved leave expires, or if an employee obtains a leave based on false representations, the employee will be considered to have voluntarily resigned.

The employee will return from leave with the same seniority as when the employee left for purposes of layoff, recall, promotion, job assignment and seniority-related benefits. Further, CEC will maintain the employee's benefits for up to sixteen weeks of any pregnancy leave of absence taken during a 12-month period under the same terms and conditions of coverage that would prevail had the employee not taken leave.

When employees become disabled due to pregnancy, they should apply for State Disability Insurance benefits. Employees are not paid by CEC during a leave of absence for a pregnancy disability. However, Employees must exhaust their sick leave and may exhaust earned vacation time. The amount of paid time off that an employee uses before disability payments begin will not lengthen the amount of leave to which an employee is entitled.

PERSONAL LEAVE OF ABSENCE

A Star Cast Member who has been continuously employed with CEC on a full-time basis for at least six months may apply and receive additional Leaves of Absence of up to 30 days for reasons other than those covered by the Family and Medical Leave Act and the Bereavement Leave policy. A Star Cast Member seeking a Leave of Absence under this policy must use all earned vacation time first and must apply for and obtain approval for such leave through Human Resources. All personal Leaves of Absence will be unpaid.



MILITARY LEAVES OF ABSENCE

Star Cast Members may take leaves of absence to accommodate mandatory active service in the Armed Forces, Military Reserves, and National Guard. The specific terms of the absence and of your rights to reinstatement, seniority, benefits and compensation after a military leave are governed by law. Please contact Human Resources if you have questions about either of these Leaves of Absence.

employee may need time off without pay to attend the funeral of someone other than an immediate family member. Each request will be considered on an individual basis. "Immediate Family" for purposes of this bereavement policy only is defined as a Star Cast Member's parent, child, sibling, spouse, grandparent, grandchild, step parent, step child, in-laws, and other members of an employee's family who reside in his or her household.

BEREAVEMENT LEAVE

Star Cast member bereaved by a death in their immediate family (as defined below) will be granted time off from work in accordance with the following provisions:

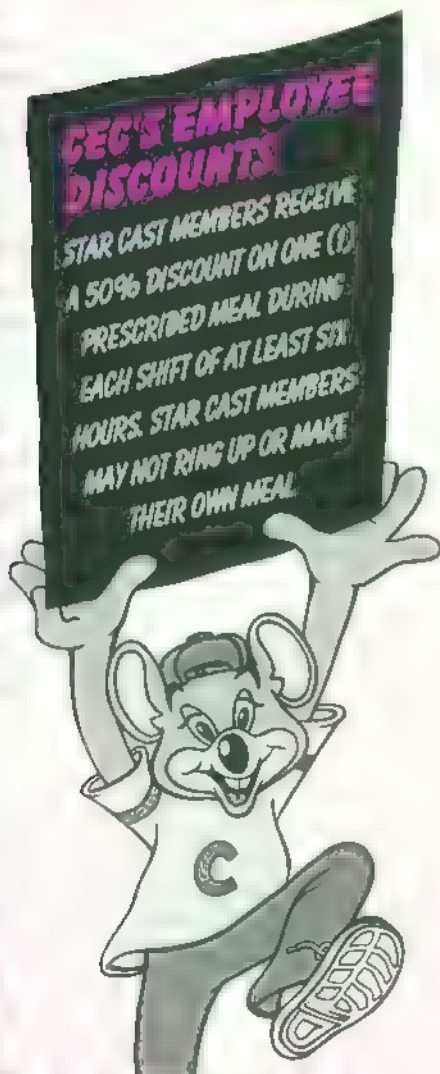
- Full-time and part-time Star Cast members who have completed 90 days of employment will be paid for the time actually lost from their regularly scheduled work, up to a maximum of three work days.
- Full-time and part-time Star Cast Members who have not completed the first 90 days of employment may be allowed to take unpaid bereavement leave up to a maximum of three work days with supervisory approval, and
- There may be other circumstances where the

WORKERS' COMPENSATION

STAR CAST MEMBERS WHO ARE INJURED WHILE AT WORK ARE COVERED BY A STATE SPECIFIC MANDATED PROGRAM CALLED WORKERS' COMPENSATION. IF YOU ARE INJURED WHILE AT WORK, YOU MUST REPORT THE INJURY IMMEDIATELY TO YOUR SUPERVISOR WHO IN TURN WILL REPORT IT TO RISK MANAGEMENT. CEC COMPLIES WITH ALL STATE AND FEDERALLY MANDATED WORKERS' COMPENSATION REGULATIONS. YOU WILL NOT BE TERMINATED OR OTHERWISE RETALIATED AGAINST FOR REPORTING OR PURSUING A WORKERS' COMPENSATION CLAIM.

JURY DUTY

If you receive a jury summons, you must notify your supervisor immediately. Full-time Star Cast Members subpoenaed for jury service during scheduled working hours will be paid the difference between pay normally received and jury pay. Full Time Star Cast Members will be paid the difference between the jury duty fee and the hourly rate of pay for all hours spent on jury duty coinciding with your normal work day. Part-time Star Cast Members are not eligible for jury duty pay. Certification of hours served and compensation received must be presented to your Restaurant Operations Manager before any difference will be paid. You will promptly be placed back on your normal work schedule upon return from jury duty. Jury duty pay may not exceed 10 scheduled working days per calendar year. You will not be terminated or otherwise retaliated against for reporting for jury duty or participating in jury service. CEC values an employee's participation in this important civic duty.



AS A HOSPITALITY COMPANY OUR PRIMARY GOALS ARE QUALITY PRODUCTS AND EXTRAORDINARY SERVICE TO OUR GUESTS. GUEST SATISFACTION AND CONTINUED GROWTH DEPEND UPON HOW WELL OUR STAR CAST MEMBERS USE THEIR SKILLS AND TALENTS. CEC IS COMMITTED TO RECOGNIZING OUTSTANDING PERFORMANCE THROUGH THE STAR CAST MEMBER EXCELLENCE AWARD PROGRAM FOR OUR STAR CAST MEMBERS.

Management will select the recipients of the Excellence Award. The following criteria are considered in determining outstanding performance:

- Keen awareness of Guest needs and extraordinary service levels
- Oral and written comments from Guests and/or fellow Star Cast Members.
- Dedication to the job
- Service records
- Attitude, disposition, and friendliness.
- Quality of work
- Suggestions and ideas submitted, and
- Performance "above and beyond the call of duty"

All Star Cast Members are eligible for this award. The award consists of a \$25 bonus, and the Star Cast Member's name is to also be engraved on the permanent plaque and displayed in the restaurant.

SERVICE AWARDS PROGRAM

We recognize the valuable contributions our employees make to the success of CEC. We honor the continued service of our employees with a very special awards program to recognize this continued service. During your Orientation Program you should review the current brochures for our Service Awards Program.

After one year of service, you will receive a Chuck E. Cheese's key chain in recognition of your valuable service. After your three, five, fifteen and twenty-year anniversaries, you will receive an Awards Brochure and will be able to choose from a selection of awards.

CHUCK E. CARES PROGRAM

Chuck E. Care's was established to help respond to our employees' needs in times of crises. Chuck E. Care's is an immediate and organized way to help our fellow employees in times of need. The program is simple. You can make donations in the form of payroll deduction or personal check. Payroll deductions can be as small as \$1.00 or as large as \$5.00 per paycheck.

CEC matches employee contributions dollar for dollar up to a maximum of \$10,000 per year.

Chuck E. Care's helps employees who suffer an unforeseen personal or family (spouse, child or parent) tragedy causing a need of financial assistance. The impact must affect the employee or a member of his or her family directly. Examples include but are not limited to, natural disasters, extensive medical bills, house fires, death or a major illness or injury.

The Chuck E. Care's committee determines what amount of assistance will be given, if any, for each request up to a maximum allowable amount of \$2,000 per employee, per occurrence. All monies distributed will be payable directly to the employee. This contribution will be classified as taxable income. The recipient is responsible for paying the applicable tax.

Chuck E. Care's is another way to show our support for our wonderful employees who truly make a difference every day! Contact Human Resources if you are interested in participating in this program.



4 EMPLOYMENT POLICIES & PROCEDURES

EQUAL EMPLOYMENT OPPORTUNITY, ANTI-HARASSMENT AND NON-DISCRIMINATION POLICY

STATEMENT OF POLICY

IT IS THE POLICY AND PRACTICE OF CEC TO PROVIDE AND PROMOTE EQUAL EMPLOYMENT OPPORTUNITIES FOR ALL APPLICANTS AND EMPLOYEES. IT IS THE RESPONSIBILITY OF ALL EMPLOYEES TO ENSURE THAT THE CONCEPTS OF EQUAL EMPLOYMENT OPPORTUNITY AND NON DISCRIMINATION ARE UNDERSTOOD, ABIDED BY, AND CARRIED OUT BY EVERYONE. THE GOAL OF CEC'S POLICY IS TO MAINTAIN A WORKPLACE THAT FOSTERS APPROPRIATE CONDUCT AMONG EMPLOYEES AND RESPECT FOR INDIVIDUAL VALUES AND SENSIBILITIES. IN THIS REGARD, CEC IS COMMITTED TO EACH OF ITS EMPLOYEES, AND TO A WORK ENVIRONMENT THAT ENABLES EMPLOYEES TO BE PRODUCTIVE WORKERS.

PROHIBITION OF DISCRIMINATION AND HARASSMENT

It is the policy of CEC to hire, train, promote, compensate, and administer all employment practices without regard to race, color, sex, age, ancestry, veteran status, marital status, citizenship, religion, pregnancy, gender, national origin, the physical or mental disability or medical condition of an otherwise qualified individual, or any other protected class under federal, state, and local laws. Harassment of employees because they are members of any of the foregoing protected groups is also prohibited and will not be tolerated. In addition, sexual harassment or harassment on any of the grounds stated above is strictly forbidden and will not be tolerated. CEC will take appropriate measures in response to any such incidents which are reported or of which it becomes aware. CEC will do everything consistent with the enforcement of these policies and the law to ensure that the complainant and the accused are treated fairly.

CEC believes every employee has the right to work in an environment free of sexual harassment and ethnic, racial, discriminatory, and sex-oriented joking or epithets. Consequently, any employee who engages in this prohibited conduct will be subject to disciplinary action or termination.

CONDUCT CONSTITUTING PROHIBITED SEXUAL HARASSMENT

Without compiling an extensive list, the following are illustrative of conduct that CEC condemns and prohibits under this policy:

- It is sexual harassment for any person to condition a benefit of employment (such as certain salary or promotion) upon the granting of a sexual favor or the establishment or continuance of a personal relationship.
- It is sexual harassment for any person to merely imply to an employee that an award of such a benefit of employment is conditioned upon the granting of a sexual favor or the establishment or continuance of a personal relationship.
- It is sexual harassment for any person to state or imply that an employee's performance is related to the sex of that employee.
- It is sexual harassment for any person to state or imply that an employee's promotion in the company is related to the granting of a sexual favor or relationship, and
- It is sexual harassment for any person to engage in any type of conduct which unreasonably interferes with another employee's work or creates an intimidating, hostile, or offensive work environment.

As a Star Cast Member of CEC, you should be

aware that the issue of whether conduct constitutes sexual harassment or discriminatory conduct may depend on how that conduct is viewed by the employee who is subjected to the conduct. Any employee who engages in this prohibited conduct assumes the risk of violating this policy if the person who is the object of the conduct views it as offensive. Accordingly, any employee who engages in prohibited conduct may be subject to discipline or termination, even if the conduct might not have been intended as offensive.

CONDUCT CONSTITUTING PROHIBITED ETHNIC, RACIAL, DISCRIMINATORY, OR SEXUAL JOKING AND EPITHETS

Without compiling an exhaustive list, the following are types of conduct CEC also condemns and prohibits under this policy:

- CEC prohibits any employee from bringing any item to the work premises which constitutes a racial, ethnic, disability-related, discriminatory, or sexual joke or epithet.
- CEC prohibits the use of CEC's property, bulletin boards, documents, e-mail and voice-mail systems for purposes of communicating a racial, ethnic, disability-related, discriminatory, or sexual joke or epithet.
- CEC prohibits defacing CEC's property, or the personal property of anyone else, for purposes of communicating a racial, ethnic, disability-related, discriminatory, or sexual joke or epithet.
- CEC prohibits all employees from uttering, communicating or otherwise utilizing any racial, ethnic, disability-related, discriminatory, or sexual joke, epithet, or when referring to or about any other person.
- CEC prohibits all employees from harassing anyone else due to their race, color, gender (regardless of whether he or she is of the same or opposite sex as the harasser), ethnic background, disability, age, national origin, religion, or marital status, and
- CEC prohibits all employees from bringing or displaying in the workplace any materials having an offensive content.

APPLICATION OF THE POLICY TO NON-CEC EMPLOYEES

CEC's Anti-Harassment and Non-Discrimination policy also applies to the dealings of any employee with non-employees such as Guests, vendors and members of the public. Furthermore, the policy also applies to individuals who do business with CEC who are present on CEC's premises or who interact with any employee of CEC while the employee is on the premises.

PROCEDURE UPON OCCURRENCE OF PROHIBITED CONDUCT

Any Star Cast Member who believes that he or she has been subjected or exposed to any form of harassment (including sexual harassment), discrimination, or any violation of CEC's policies has the right to have any such activity terminated immediately. The Star Cast Member is required to immediately report the alleged policy violation, incident or incidents, and the names of the individuals involved. CEC has created governance

confidential and reliable mechanisms for reporting alleged violations of the Anti-Harassment and Non-Discrimination Policy, including the reporting procedures described below. Complaints will be accepted in writing or verbally. In addition, a complainant need not be someone who was the target of the offending conduct, as anyone who has observed any alleged violation of the policy is also required to report it to CEC.

PROHIBITION ON RETALIATION

CEC strictly prohibits retaliation against any individual who reports a complaint pursuant to this policy. The prohibition against retaliation also applies to any employee participating in or cooperating with any investigation of alleged offending conduct under this policy. Any act of retaliation will be considered a violation of this policy, and corrective action will be taken promptly, including the possible termination of any individual who engages in any form of retaliation.

AMERICANS WITH DISABILITIES ACT

CEC IS COMMITTED TO FULFILLING ITS OBLIGATIONS UNDER THE AMERICANS WITH DISABILITIES ACT AND ALL OTHER APPLICABLE FEDERAL, STATE AND LOCAL STATUTES AND REGULATIONS GOVERNING THE WORK PLACE. IT IS THE POLICY OF CEC TO HIRE, TRAIN, PROMOTE, COMPENSATE, AND ADMINISTER ALL EMPLOYMENT PRACTICES WITHOUT REGARD TO A DISABILITY UNRELATED TO THE ABILITY OF THE EMPLOYEE OR APPLICANT TO PERFORM HIS OR HER JOB WITH OR WITHOUT REASONABLE ACCOMMODATION. DISCRIMINATION AGAINST JOB APPLICANTS OR EMPLOYEES BECAUSE THEY ARE DISABLED IS PROHIBITED AND WILL NOT BE TOLERATED.

REPORTING PROCEDURES

ANY ALLEGATION OF HARASSMENT OR DISCRIMINATION MUST BE REPORTED TO SOMEONE WITH THE AUTHORITY TO INTERVENE. THUS, A COMPLAINT OF HARASSMENT OR DISCRIMINATION MUST BE DIRECTED TO ANY ONE OF THE FOLLOWING PERSONS:

- Any Human Resources Manager or Director
- The Director of Operations
- CEC's President or Regional Vice President
- Your restaurant's Area Director or District Manager
- The restaurant's General Manager
- Any of your restaurant's Senior Managers
- Any of your restaurant's Managers
- Any of your restaurant's Assistant Managers

REPORTING OF DISCRIMINATION BY TELEPHONE

Call 1-800-824-2256 for assistance.

Call. If there is no answer, leave a message.

Indicating the nature of your complaint and

Call will be returned promptly.

All complaints will be treated in a

confidential manner to the extent possible and

confidential and reliable mechanisms for reporting

alleged violations of the Anti-Harassment and Non-

Discrimination Policy, including the reporting

procedures described below. Complaints will be

accepted in writing or verbally. In addition, a

complainant need not be someone who was the

target of the offending conduct, as anyone who has

observed any alleged violation of the policy is

also required to report it to CEC.

CEC strictly prohibits retaliation against any

individual who reports a complaint pursuant to

this policy. The prohibition against retaliation

also applies to any employee participating in or

cooperating with any investigation of alleged

offending conduct under this policy. Any act of

retaliation will be considered a violation of this

policy, and corrective action will be taken promptly,

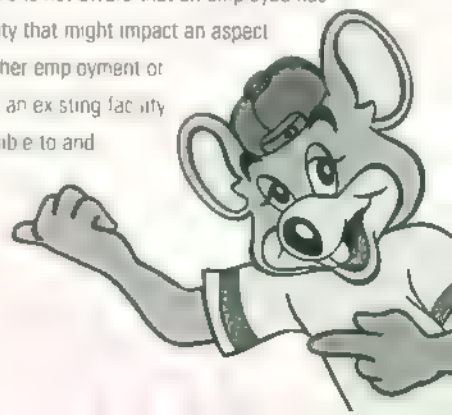
including the possible termination of any individual

who engages in any form of retaliation.

GUIDELINES

When dealing with job applicants or employees with a disability, CEC will endeavor to follow these guidelines:

- It is against CEC's policy to discriminate against qualified individuals with disabilities who, with or without reasonable accommodation, can perform the essential functions of the job in question.
- CEC is committed to ensuring that qualified individuals with a disability are not discriminated against in applying for employment and/or after such individuals have been employed. It is the policy of CEC, where possible and achievable, to make existing facilities used by employees accessible to and usable by individuals with disabilities. However, there may be instances where CEC is not aware that an employee has a disability that might impact an aspect of his or her employment or whether an existing facility is accessible to and



usable by individuals with disabilities. It is the responsibility of any job applicant or employee to alert the General Manager or Human Resources Management of the existence of a disability that the job applicant or employee believes needs to be accommodated so that he or she will enjoy and be afforded equal employment opportunity in the workplace.

- As specified by law, an individual may be considered disabled if he or she has a physical or mental impairment and the impairment substantially limits one or more of the individual's major life activities, or has a record or history of such an impairment, or is perceived as having such an impairment. CEC is committed to making reasonable accommodations in job duties, the work environment, and the application process to enable a qualified person with a disability to enjoy equal employment opportunities, so long as such accommodations do not constitute an undue hardship.
- At the same time, CEC also has an obligation to provide a safe work environment for all employees and customers. Reasonable precautions will be taken to ensure that an employee's disability, or any attempted reasonable accommodations thereof, do not present a direct threat to the health and/or safety of the individual employee with a disability, or other employees or Guests.

PROCEDURAL CHANNELS

Any Star Cast Member who believes he or she needs a reasonable accommodation should advise a General Manager, a Human Resources Manager, Director or Vice President of Human Resources of the existence of a disability that may need to be accommodated so that he or she will have equal employment opportunities in the workplace. Each Star Cast Member also should advise his or her Restaurant Operations Manager of any facilities which he or she believes need to be made accessible and usable by individuals with disabilities. CEC will work with the Star Cast Member to determine if the employee's disability can be reasonably accommodated. Requests shall be treated in a confidential manner to the extent possible.

COMMUNICATION

STAR CAST MEMBERS ARE ENCOURAGED TO ASK QUESTIONS, MAKE SUGGESTIONS AND VOICE THEIR OPINIONS CONCERNING THEIR WORK DUTIES AND ENVIRONMENT. STAR CAST MEMBERS SHOULD DIRECT COMMENTS TO THEIR RESTAURANT OPERATIONS MANAGER, OR TO THE SPECIFIC SUPPORT CENTER DEPARTMENT WHICH HANDLES THE AREA ABOUT WHICH HE OR SHE HAS QUESTIONS, SUGGESTIONS OR CONCERNS.

IF YOU HAVE BEEN SUBJECTED TO OR WITNESSED CONDUCT THAT YOU BELIEVE MAY CONSTITUTE ANY FORM OF DISCRIMINATION OR HARASSMENT, YOU ARE REQUIRED TO REPORT SUCH CONDUCT AS DESCRIBED IN THE EQUAL EMPLOYMENT OPPORTUNITY ANTI-HARASSMENT AND NON-DISCRIMINATION POLICY SECTION OF THIS HANDBOOK.

OPEN DOOR POLICY

All Star Cast Members should feel free to express themselves to their immediate supervisor regarding any aspect of their job. No supervisor is too busy to answer questions or to hear problems or complaints of any employee. We ask that you follow your chain of command in attempting to resolve problems. This means that you should first discuss your problem or concern with your immediate supervisor. We believe questions and problems can be resolved more effectively in this manner. If you are uncomfortable speaking to your supervisor, you should speak to his or her immediate supervisor. However, if you are uncomfortable with both supervisors, you should speak to a member of Human Resources Management, the President or CEO, or another member of our management team.

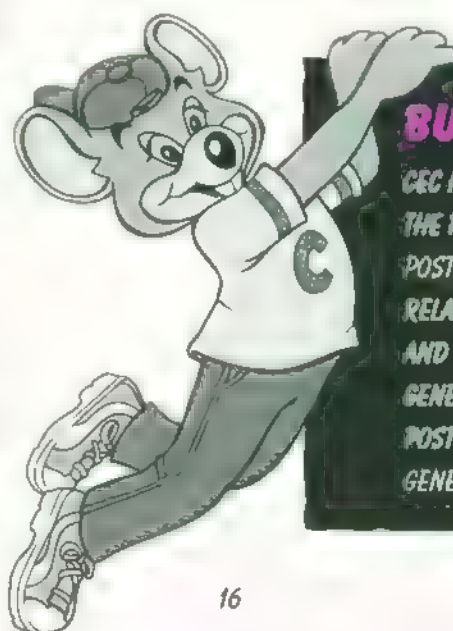
Star Cast Members can follow this Open Door Policy without fear of reprisal. Supervisors will not

penalize or threaten an employee about speaking to anyone in the company. If you believe you have been penalized or threatened for using the Open Door Policy, you should discuss it with your immediate supervisor or a member of Human Resources Management.

NO SOLICITATION PERMITTED

Star Cast Members may not solicit or distribute literature in any form or through any medium on CEC's premises during his or her working time or during the working time of the employee being solicited or given literature. In order to keep CEC's premises safe, neat, and clean, literature may not be strewn or discarded on CEC's property.

Persons not employed by CEC are not permitted to be on the premises without permission to solicit or distribute literature in any form or through any medium or offer merchandise for sale on CEC property at any time.



BULLETIN BOARDS

CEC HAS BULLETIN BOARDS IN ITS RESTAURANTS FOR THE PURPOSE OF COMMUNICATING WITH ITS EMPLOYEES. POSTINGS ON THESE BOARDS ARE LIMITED TO CEC-RELATED MATERIALS INCLUDING LEGAL NOTICES, SAFETY AND DISCIPLINARY RULES, POLICIES, AND MEMOS OF GENERAL CONCERN RELATING TO CEC. ALL RESTAURANT POSTINGS MUST BE APPROVED AND COMPLETED BY THE GENERAL MANAGER OF THE RESTAURANT.

A Star Cast Member's "working time" does not include the employee's break periods or meal times, or other period when the employee is not engaged in performing his or her work tasks

NO LOITERING PERMITTED

While friends and family members of employees are welcomed as Guests, please ask your friends, family members and/or business contacts not to loiter on CEC's property. Friends and family members who are loitering may be asked to leave the premises.

CONFLICTS OF INTEREST

CEC employees are expected to avoid situations that create an actual or potential conflict of interest. CEC prohibits any conduct or relationship that might create an appearance of impropriety. Accordingly, you must avoid any activity, agreement, business investment or interest that could be in conflict with CEC's interest or that could interfere with your duty and ability to best serve CEC.

If you have a question about whether or not you have a conflict of interest, please bring it to the attention of your supervisor. Any doubt should

BUSINESS ETHICS AND STANDARDS

CEC IS A PROFESSIONAL, RESPONSIBLE AND LAW ABIDING BUSINESS ENTITY. CEC DEVOTES CONSIDERABLE TIME AND EXPENSE TO CONDUCTING ITS BUSINESS AND MAINTAINING ITS REPUTATION IN THIS REGARD. THE BEHAVIOR OF EVERY EMPLOYEE CONTRIBUTES TO CEC'S IMAGE AND ITS REPUTATION. STAR CAST MEMBERS SHALL NOT TAKE ANY ACTION OR ENGAGE IN ANY CONDUCT THAT WOULD CAUSE CEC OR ANY OF ITS EMPLOYEES EMBARRASSMENT THAT CREATES THE APPEARANCE OF IMPROPRIETY OR THAT OTHERWISE CAUSES OR CONTRIBUTES TO CEC OR ITS EMPLOYEES BEING HELD IN DISREPUTE BY THE GENERAL PUBLIC. ITS GUESTS OR ITS EMPLOYEES VIOLATION OF THIS POLICY MAY RESULT IN A DISCIPLINARY ACTION OR TERMINATION.

be resolved in favor of disclosure and a request for specific guidance.

CONDUCT AND DISCIPLINARY GUIDELINES

When a Star Cast member's performance is inconsistent with CEC's standards or in violations of CEC's policies, he or she may be given a verbal or written warning. CEC may also take other disciplinary action or terminate the employee. Providing a warning is optional and is not a requirement prior to termination of employment.

A verbal warning is a discussion in which

the supervisor counsels a Star Cast member about a particular problem or incident. The supervisor may make a written record of such warning and place it in the Star cast member's personnel file.

Written warnings are reviewed with the employee and are signed by the employee as acknowledgement that the warning was read and understood. Your signature does not indicate your agreement, nor does a refusal to sign a written warning invalidate it. If you received either a verbal or written warning, you should recognize the grave nature of your actions and make every effort toward corrective action.

"YOU MUST NOT ENGAGE IN ANY OF THE FOLLOWING ACTIVITIES!"



- **Owning, operating, or being employed as an employee by or consultant to any business that competes directly or indirectly, with CEC**
- **Having a direct or indirect financial relationship with a competitor, customer, or supplier.** However, no conflict will exist in the case of ownership of less than five percent of the publicly-traded stock of a corporation.
- **Engaging in any other employment or personal activity during your CEC work hours, or using CEC supplies or equipment in other employment.**
- **Using CEC's name, logo, stationery, supplies, equipment, or other property for personal purposes, unless the President or CEO has granted written approval in advance of that use.** This policy includes, but is not limited to, the personal use of CEC

- computers, telephones (including mobile telephones), long distance services, internet services, fax machines, postage and postage meters, vehicles, and office machines and supplies of any kind, and
- **Soliciting CEC employees, suppliers, or customers to purchase goods or services of any kind for non-CEC purposes, or to make contributions any organization in support of any to causes, unless the CEO or President has granted written approval in advance of that transaction.** This restriction applies to all such transactions, however small, including, but not limited to
- **Having a subordinate perform personal services;** and
- **Soliciting a subordinate to participate in an investment of any kind with you.** When a conflict of interest is found to exist, the conflict may result in discipline or termination.

CONDUCT RULES

ALTHOUGH IT IS IMPOSSIBLE TO LIST ALL OF THE INSTANCES OR TYPES OF MISCONDUCT THAT COULD RESULT IN DISCIPLINE, THE FOLLOWING CONDUCT RULES EXPLAIN SOME OF THE STANDARD PERFORMANCE GUIDELINES WHICH CEC EMPLOYEES MUST FOLLOW. CEC EXPRESSLY RESERVES THE RIGHT TO DISCHARGE OR OTHERWISE DISCIPLINE ALL EMPLOYEES FOR ANY REASON, AND NOTHING IN THIS POLICY MAY BE CONSTRUED TO CONTRADICT CEC'S "AT-WILL" POLICY. PLEASE READ THESE RULES CAREFULLY AND ASK YOUR SUPERVISOR TO CLARIFY ANY QUESTIONS YOU MAY HAVE REGARDING THE CONTENT

Unacceptable employee conduct, including, but not limited to, the following acts, may result in disciplinary action or termination:

- 1 Failure to follow prescribed policies and procedures, including policies related to time keeping, sign-in/sign-out, overtime, work schedules, breaks, security and cash handling (cash, tokens, merchandise, food tickets, sales), and established health, fire and safety practices,
- 2 Disrespectful or discourteous conduct (failing to give a high degree of courteous service to any employee, Guest, or vendor)
- 3 Dishonesty in any form, including misrepresentations to supervisors or other employees,
- 4 Refusing to obey direct instructions from a supervisor or other forms of insubordination,
- 5 Making or publishing false, vicious, or malicious statements concerning any employee, CEC or its food, beverages, or services within hearing distance of any other employee, Guest, or vendor,
- 6 Verbally or physically abusive behavior

- directed towards any employee, Guest or vendor
- 7 Harassment or coercion of any employee, Guest, or vendor, or failure to report any such conduct. This includes, but is not limited to racial or sexual harassment, and immoral, unlawful or indecent conduct,
- 8 Interfering with or hindering of work schedules,
- 9 Fighting on property regardless of who started the fight,
- 10 Accepting gifts, entertainment, or other gratuities from firms or individuals who do business with or who seek to do business with CEC, except for items of nominal value,
- 11 Failure to report for a scheduled shift without proper notification to your supervisor
- 12 Sleeping on the job,
- 13 Failing to exhibit a neat and professional appearance (in accordance with CEC's appearance standards) and a high degree of personal cleanliness at all times,
- 14 Performing job functions in a negligent or careless manner or not performing job responsibilities as directed,
- 15 Unauthorized parking of a motor vehicle in areas other than those designated by management,
- 16 Unauthorized absence from assigned work area, or being in an unauthorized area,
- 17 Unauthorized dining or snacking at any time other than during designated breaks, meal periods, or in areas other than designated by management,
- 18 Unauthorized use of the telephone or frequent and unnecessary use of the telephone for personal business,
- 19 Solicitation or unauthorized distribution of literature or products of any description in working areas. Posting or removing notices, signs, memoranda, and/or writing in any form on a bulletin board or other CEC property,
- 20 Failure to report unsafe actions or violations of policies and procedures (including established health, fire, and safety practices), which could result, or have resulted, in bodily injury to others or damage to CEC property or premises,
- 21 Falsification, alteration, or destruction of CEC documents or records such as payroll records, time records, or employment applications,

- 22 Failing to maintain the confidentiality of information disclosed during your employment with CEC
- 23 Loitering on CEC's premises while off duty and/or contributing to the inefficiency of any employee who is working,
- 24 Being on CEC premises in uniform while off duty or while dressed in offensive or inappropriate attire;
- 25 Gambling on CEC premises or at a CEC sponsored or supported function,
- 26 Theft, pilferage, misappropriation, misuse, or willful destruction of any property owned by any employee, Guest, vendor, or CEC, or the unauthorized removal of such, including found items. This includes negligence in following prescribed security and cash handling procedures for cash, tokens, merchandise, food, tickets, etc,
- 27 Conviction of a felony or misdemeanor other than minor traffic offenses,
- 28 Possessing dangerous or deadly weapons on CEC premises or while off of CEC premises in the performance of CEC duties, or
- 29 Using, being in possession of, or being under the influence of any controlled substance, intoxicants, drugs, alcohol, or hallucinatory agents on CEC property or reporting to work under such conditions, and
- 30 Engaging in horseplay while at work or on company premises

PROBATION

THERE MAY BE TIMES WHEN A SUPERVISOR GIVES AN EMPLOYEE SPECIFIC DIRECTION REGARDING PERFORMANCE ISSUES. THE SUPERVISOR MAY USE FORMAL PROBATION WITH WRITTEN GUIDELINES TO COMMUNICATE NEEDED IMPROVEMENT IN ORDER TO PREVENT TERMINATION. PROBATION IS NOT REQUIRED IN ORDER TO TERMINATE AN EMPLOYEE. EMPLOYMENT IS "AT-WILL".

CONTRACTS: AUTHORIZATION AND CUSTODY

Star Cast Members do not have any authority to enter into contracts of any kind on behalf of CEC. Any employees engaging in such behavior will be subject to disciplinary action including termination.

CONFIDENTIAL AND PROPRIETARY INFORMATION

The term "Confidential Information" means the trade secrets and other confidential and proprietary information of CEC, and any and all other information, oral or written, that is not generally known by persons not employed by or parties to contracts with CEC. This information includes, but is not limited to:

- A. Inventions, designs, discoveries, works of authorship, improvements, or ideas developed or otherwise possessed by CEC.
- B. CEC's proprietary software, consisting of computer programs in source or object code and all related documentation and training and service materials, including all upgrades, improvements, and modifications thereto and including programs and documentation in incomplete stages of design or research and development.
- C. The subject matter of CEC's patents, design patents, copyrights, trade secrets, trademarks, service marks, trade names, trade dress, materials, operating instructions, and other intellectual property to the extent that such information is unavailable to the public and/or is in incomplete stages of design or research and development.
- D. CEC's business operations and practices, including marketing, research, service, and product development plans and strategies which have been or are being considered, processes, product formulations and designs, and sales or distribution methods and techniques.
- E. CEC's pricing information and pricing methods.
- F. Information of CEC relating to persons, firms, partnerships, and corporations, or other entities which are or have been vendors, Guests or employees of CEC, including without limitation, identification of or lists of past, existing, or potential Guests and employees and their business requirements and the way services can

be individually tailored to the needs of particular parties together with the programs devised for parties and the materials embodying them.

- G. Account information relating to vendors, Guests, including but not limited to, payment histories, account balances, and receivables.
- H. Financial information relating to CEC or its vendors, Guests or employees, Designs, systems, processes, or the manner in which products are designed, manufactured or created.
- J. Store or corporate rosters and employee home address and telephone information.
- K. CEC's training videos and manuals.
- L. CEC's image reference guide, and
- M. Information relating to employee salaries, benefits and other compensation of any kind.

AGREEMENT REGARDING CONFIDENTIAL INFORMATION

IN RETURN FOR YOUR EMPLOYMENT WITH CEC, YOU AGREE TO MAINTAIN THE CONFIDENTIALITY OF ALL INFORMATION DISCLOSED TO YOU DURING YOUR EMPLOYMENT WITH CEC. IF YOU LEAVE CEC'S EMPLOYMENT FOR ANY REASON, YOU MUST NOT DISCLOSE OR OTHERWISE USE CEC'S CONFIDENTIAL INFORMATION. UPON TERMINATION OF YOUR EMPLOYMENT, YOU MUST DELIVER TO YOUR DIRECT SUPERVISOR ALL CONFIDENTIAL INFORMATION, INCLUDING SALES, MARKETING, ADVERTISING, PURCHASING, OR SALARY INFORMATION.

FAILURE TO FOLLOW CONFIDENTIALITY GUIDELINES

Employees who fail to follow these confidentiality guidelines will be subject to disciplinary action or termination. You are strictly prohibited from discussing information with anyone outside of CEC or with anyone inside of CEC who is not authorized to discuss that information with you. This includes discussing your personal salary information with fellow employees. Please ask your immediate supervisor if you are unsure as to the

confidential nature of any information.

DIRECT REQUEST FOR INFORMATION

If someone not employed with CEC asks you questions, either directly or indirectly or through another person, do not attempt to answer him or her unless you are certain you are authorized to do so. If you are not authorized, refer the person to the appropriate source within CEC. For example, if you are approached for information concerning our advertising plan, refer the question to the Corporate Marketing Department. If you are not sure where or to whom to direct a question, ask your immediate supervisor. All requests for financial information or inquiries by

members of the press or financial community should be referred to the CEO, President, CFO or Vice President of Marketing. No confidential information including sales trends, impact of weather, commodity costs, etc., should be discussed with anyone other than an authorized company representative.

A CHECKLIST IS USED TO ENSURE THAT ALL CONFIDENTIAL INFORMATION IS LEFT WITH CEC UPON THE ENDING OF YOUR EMPLOYMENT. YOU MUST CONTACT THE LEGAL DEPARTMENT OR HUMAN RESOURCES BEFORE RELEASING ANY CONFIDENTIAL OR PROPRIETARY INFORMATION TO ANYONE.



5 SAFETY & SECURITY

ACCIDENT PREVENTION SUMMARY: A FORMAL PHASES OF OPERATION AND ADMINISTRATION IT'S THE INTENT OF THE MANAGEMENT TO PROVIDE SAFE AND HEALTHY WORKING CONDITIONS

The objective of CEC is a safety and health program that will reduce the number of injuries and illnesses to an absolute minimum, not merely in keeping with, but surpassing the best experience of similar operations of others. Our goal is zero accidents and injuries. The observance of safe and clean work practices, coupled with ongoing compliance of all established safety standards and codes, will reduce accidents and make CEC a better place to work.

STAR CAST MEMBER'S RESPONSIBILITIES

Each Star Cast Member has a personal responsibility to prevent accidents. You will be expected to observe safe practice rules and instructions relating to the efficient handling of your work. Your responsibilities include the following:

- Incorporate safety into every job procedure. No job is done efficiently unless it has been done safely.
- Know and obey safe practice rules. Read all monthly safety posters and warnings. Listen to instructions carefully.
- Know that disciplinary actions may result from a violation of the safety rules.
- Report all injuries immediately, no matter how minor the injury may be.
- Caution fellow employees when they perform unsafe acts.
- Ask questions when there is any doubt concerning safety.
- Report all unsafe conditions or equipment to the Restaurant Operations Manager on duty immediately.

- Attend all CEC-sponsored training and safety meetings, and,
- Ask your supervisor to explain any rules that you do not understand, and remember, we encourage safety suggestions.

All employees are required to follow and support the guidelines, policies and procedures outlined in the CEC Safety Program. Failure to follow these guidelines (including improper use of safety equipment, improper lifting, engaging in horseplay, etc.) may result in the disciplinary action or termination.

ON-THE-JOB INJURIES

CEC strives to provide a safe work environment for all employees. Star Cast Members who believe they have suffered an injury while performing their assigned job duties must report the incident to the Restaurant Manager on Duty immediately. "Immediately" is defined as within minutes of the accident or at a maximum, within the same work shift as that which the incident took place. In the event the incident does not appear to have resulted in any injury because symptoms do not appear within the same work shift, the employee must report the symptoms and relate what they believe to have been the cause of the incident to the Restaurant Manager on Duty as soon as visible symptoms occur.

All incident/accidents will be investigated, and Star Cast Members are required to cooperate fully with all investigations. "Accident" is defined as an occurrence which causes harm to person or property.

The Company sponsors a Return-to-Work Program that helps injured employees work again

as soon as possible.

- If an employee is injured while working and medical treatment is necessary as a result of that injury, we want to ensure that the injured employee receives appropriate care and treatment.
- If an injured employee is medically able, we want to return the employee to work at full capacity. If the employee's physical activities are restricted by his or her doctor, we offer modified duties, whenever possible, to accommodate those restrictions. The District Manager or General Manager will coordinate the employee's return to work through Risk Management, and
- Any employee who refuses to return to work after being released to do so by his or her physician will be considered to have voluntarily terminated his or her employment.

Failure to follow the guidelines listed above (including improper use of safety equipment, improper lifting, etc.) may result in the denial of benefits in the event of a work-related injury.

CONTINUATION OF BENEFITS

Employees who are absent from work or who work reduced schedules due to an on-the-job injury will maintain all benefits for a maximum of one year from the date of the injury. These benefits include:

- Insurance coverage the employee maintained at the time of the injury (the employee must continue to pay for any premiums). At the conclusion of the one-year period, the employee may elect COBRA health insurance (for details see the Employee Benefits Handbook).
- Vacation earned.
- Meal discount privileges, and
- Incentive programs.

GENERAL SECURITY

WE HAVE DEVELOPED A SECURITY PROGRAM TO BE FOLLOWED BY ALL RESTAURANT MANAGERS AND STAR CAST MEMBERS. PLEASE REFER TO THE ORIENTATION VIDEO FOR THE DETAILS OF THIS PROGRAM. YOU WILL REVIEW GENERAL SECURITY GUIDELINES DURING YOUR ORIENTATION.

The following security procedures must always be followed to ensure your safety and the safety of your co-workers:

BUILDING SECURITY

No one is allowed to be in the restaurant alone. The closing manager will leave the building with at least one other person. If you are leaving the building after dark, ask someone to walk with you to your vehicle or make sure that someone watches you reach your vehicle safely. Always have your keys ready to allow quick entry into your vehicle. Immediately report any suspicious activity to your Restaurant Manager on Duty.

PARKING

Please park with your General Manager regarding where Star Cast Members are requested to park. Please park in the designated parking area. You must lock your vehicle and take care that valuables are not left on display as a temptation for a potential thief. CEC is not responsible for damage to or theft of your vehicle or for any personal effects in your vehicle.

LOST AND FOUND

ITEMS/PERSONAL BELONGINGS

If you find articles that Guests or fellow Star Cast Members have left behind (including money and travelers checks), take them immediately to your General Manager or Manager on Duty. Items should never be stored in open areas (kid check stand, under the register counter, etc.) but should be locked in the manager's office for safekeeping. Failure to turn in a lost item will lead to disciplinary action.

Do not bring personal valuables to work.

Normally there is not a secure place for you to store your personal belongings. CEC is not responsible for the loss or theft of items that you bring to work.

EMERGENCY PROCEDURES

CEC has adapted the following policies to deal with any violence that may occur on its premises:

- Report all threats of violence, both direct and indirect, as soon as possible to the General Manager or Manager on Duty, or if they are unavailable, to your Regional Manager or your department head. They will then contact Risk Management. Be as specific as possible.
- Report suspicious individuals or activities to the Manager on Duty and call 911 if you believe you or anyone else is in danger.
- Do not put yourself in danger.
- Call 911 if you hear a violent commotion near your workstation; do not try to resolve the situation. Try to avoid a physical confrontation if possible, but defend yourself or Guests if there is an imminent threat of physical harm.
- Cooperate fully with security, law enforcement, and medical personnel that respond to a call for help or investigate any incident.

"CEC WILL NOT TOLERATE WORKPLACE VIOLENCE OR THE THREAT OF WORKPLACE VIOLENCE BY ANY EMPLOYEE OR OTHER INDIVIDUAL. ANY SUCH CONDUCT IS GROUNDS FOR DISCIPLINARY ACTION OR TERMINATION."

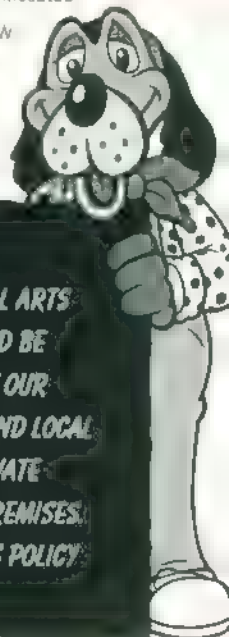
- You are not to give a statement to the press. Refer any inquiries from the media to your General Manager or the Restaurant Manager on Duty.

INSPECTION OF PREMISES / PERSONAL BELONGINGS

CEC reserves the right to search work stations, telephones, lockers, desks, CEC vehicles, lunch boxes, briefcases, purses, coats, toolboxes, and other personal property of employees on CEC premises and their contents for illegal drugs, alcohol, weapons, and stolen property, collectively referred to as "contraband." CEC also reserves the right to conduct searches of these areas for evidence of other work-related misconduct. CEC will conduct searches only when there is a reason to suspect employees have contraband in their possession or that an employee has been involved in work-related misconduct. However, any contraband in plain view may be confiscated. When contraband is not in plain view but there is reason to suspect that contraband is on CEC premises, CEC may conduct a search.

WEAPONS

WEAPONS, INCLUDING GUNS (LOADED OR UNLOADED), KNIVES, MARTIAL ARTS INSTRUMENTS, "BRASS KNUCKLES" AND ANY INSTRUMENT WHICH COULD BE CONSIDERED THREATENING TO THE PHYSICAL WELL BEING AND SAFETY OF OUR EMPLOYEES ARE STRICTLY PROHIBITED ON CEC PREMISES. WHILE STATE AND LOCAL GUIDELINES MAY PERMIT CONCEALED WEAPONS TO BE CARRIED BY PRIVATE CITIZENS, CEC EXERCISES ITS RIGHT TO PROHIBIT ALL WEAPONS ON ITS PREMISES. THIS INCLUDES THE BUILDING AND PARKING LOT. FAILURE TO FOLLOW THIS POLICY MAY RESULT IN DISCIPLINARY ACTION OR TERMINATION.



INCLEMENT WEATHER

When severe weather conditions threaten normal travel, Star Cast Members should call the CEC restaurant location where they are employed. Unless instructed otherwise, the CEC restaurant location will open as usual.

If the CEC restaurant location opens late or is forced to close early because of the weather, Star Cast Members who report for work as scheduled will be given credit for having worked the full shift for which they were scheduled at their regular pay rate. If a Star Cast Member works when the local CEC restaurant location is closed due to inclement weather, he or she will be paid at the rate of time and one-half for all hours worked.

An employee who does not report to work due to weather conditions when the local CEC restaurant location is open will have that day charged to personal or vacation leave. In addition, any such absence will be considered to be unexcused.

CONTROLLED

SUBSTANCES

IT IS CEC'S GOAL TO PROVIDE A SAFE AND HEALTHY WORK ENVIRONMENT FOR YOU AND ALL OTHER EMPLOYEES. TO ACHIEVE THIS GOAL, CEC HAS ADOPTED THE FOLLOWING GUIDELINES REGARDING THE USE, POSSESSION, AND SALE OF DRUGS AND ALCOHOL BY ITS EMPLOYEES

Star Cast Members are strictly prohibited from using, possessing, selling, or offering any controlled substance, including narcotics, drugs, or alcohol, while on duty, when conducting CEC business, and/or while on CEC property. Star Cast Members are prohibited from reporting to work or from performing any work while impaired by or under the influence of a controlled substance.

For purposes of this policy, controlled substances include, but are not limited to, alcohol, cocaine, crack, marijuana, heroin, opium, opiates,

PRESCRIPTION DRUGS

THE LEGAL USE OF CONTROLLED SUBSTANCES, SUCH AS MEDICATIONS PRESCRIBED BY THE EMPLOYEE'S LICENSED PHYSICIAN, ARE NOT PROHIBITED BY THIS POLICY. HOWEVER, IF YOU CANNOT PERFORM ALL OF THE ESSENTIAL FUNCTIONS OF YOUR JOB, EVEN WITH REASONABLE ACCOMMODATION BECAUSE YOU ARE TAKING PRESCRIPTION OR OVER-THE-COUNTER MEDICINE, CEC MAY REQUIRE YOU TO SEE A DOCTOR AT CEC'S EXPENSE. YOU MAY BE REQUIRED TO TAKE A LEAVE OF ABSENCE IF THE DOCTOR CONCLUDES THAT YOU CANNOT DO YOUR JOB SAFELY AND EFFICIENTLY BECAUSE YOU ARE USING PRESCRIPTION OR OVER-THE-COUNTER MEDICINE.

any hallucinogenic substance, inhalants, any depressant or stimulant, and any chemical substances or drugs listed in any controlled substances act or regulation applicable under any federal, state, or local laws, provided, however, this policy does not prohibit the use of prescription drugs when such drugs are taken as directed by the employee's doctor.

This policy applies to all employees. Any employee found to be in violation of this policy will be subject to disciplinary action or termination.

To enforce this policy in a fair and effective manner, we reserve the right to require an employee to take a test to determine the presence of a controlled substance in his or her body. Subject to federal, state, and local law, we may require a test under the following conditions:

- When an employee is involved in a serious work-related injury,
- When CEC has a reasonable basis to believe an employee is under the influence of a controlled substance, and
- When an employee is promoted into a management position.

Prior to conducting the test, the individual will be required to consent to providing the sample, to the performance of the test, and to the release of test results to Human Resources. Failure to consent may result in termination of employment. All tests will be conducted in a manner that respects an individual's privacy and in accordance with all federal, state, and local laws.

Human Resources will communicate a positive test result directly to the employee. The employee will be offered two options: 1) Voluntary participation in a drug rehabilitation program at

the employee's expense on an unpaid leave of absence, or 2) Termination of employment. Refusal to participate and successfully complete a drug rehabilitation program will result in immediate termination of employment. Internal candidates are eligible to reapply for a promotion position six (6) months after successfully completing a drug rehabilitation program.

CEC will allow an employee to utilize all paid and non-paid benefits for which the employee is eligible during the period of leave taken for rehabilitation.

Any employee who believes he or she has a drug/alcohol problem should contact Human Resources for confidential referral assistance. Any employee who voluntarily informs Human Resources about a drug or alcohol problem will not be terminated, but may be required to get treatment.

You may be disciplined or terminated if you plead guilty or are convicted of a controlled substance-related crime.

ALCOHOL DURING WORKING HOURS

Alcohol may not be consumed by employees while working. In addition, employees shall not come to work under the influence of alcohol. No employee may drink alcoholic beverages on CEC's premises.

COMPLIANCE WITH STATE LAWS

CEC's controlled substance policy is intended to comply with the requirements of any and all state and federal laws, and in the event there is any conflict between any provision of this policy and any such laws, the latter shall prevail.

6 JOINING OUR STAR CAST MEMBER TEAM

CHUCK E. CHEESE'S VISION

CHUCK E. CHEESE'S WILL GIVE THE GREATEST SERVICE ANYWHERE BY EMPOWERING EACH STAR CAST MEMBER TO USE HIS OR HER BEST JUDGMENT TO CREATE RAVING FANS – WITH PRIDE, CARING, FUN & CREATIVITY.

SERVICE AND HOSPITALITY

Chuck E. Cheese's goal is to exceed the Guest's expectations when he or she visits any of our restaurants. To do this, we must offer "the best" in both service and hospitality. Contrary to popular belief, they are not the same thing.

SERVICE

This is a system or series of procedures that the Guests encounter on their visit to a restaurant. A vending machine is the best example of a pure service system – the Guests put in change, make a selection, and receive a product. But there is not human contact.

HINTS BY HELEN

I have listed a few service points for you to follow that will ensure that our Guests are being taken care of properly.

- Always greet our Guests with a smile
- Always give a knife and fork with a salad
- Always introduce the pizza to the Guest (Ex. "Here is your Large Pepperoni Pizza")
- Always check back to make sure everything is great (within 1 minute)
- Always ask the Guests if you can get them anything else

A tool we must have on all the time.

Don't leave home without it . . . Your Smile!

- It takes less muscles to smile than frown
- It's been proven that your voice actually becomes warmer when you smile as you speak
- Smile, you're always on candid camera

A FEW WORDS THAT CAN GO A LONG WAY

- May I help you?
- Yes, sir! No, ma'am!
- Welcome to Chuck E. Cheese's!
- Have a great day!
- We appreciate your business!
- It's my pleasure!

HOSPITALITY & MAKING MAGIC

THIS IS WHERE YOU COME IN. YOUR SMILE, YOUR PROFESSIONAL APPEARANCE, YOUR SINCERITY, YOUR SENSE OF HUMOR, AND YOUR WILLINGNESS TO GO "ABOVE AND BEYOND" IN PROVIDING EXCELLENCE TO OUR GUESTS ARE WHAT SET US APART FROM THE COMPETITION. TO EFFECTIVELY SERVE OUR GUESTS, WE MUST PROVIDE BOTH SERVICE AND HOSPITALITY. WITHOUT MAGIC, WE'RE JUST ANOTHER PIZZA PLACE.

YOU CAN BE A STAR . . .

What, you say you're not an actor?

We disagree and this may be your big break. Chuck E. Cheese's has ventured on a new form of entertainment. LIVE Chuck E. and the star of this new show is YOU!

A training tape, audio tape, and written costume instruction guide will assist you on your way to stardom.

So get up, get ready, put your performance hat on, and check with your General Manager for introduction of this new entertainment in your location.

Bring added excitement and fun to your job by signing up for special training to be the one the only . . . LIVE CHUCK E. CHEESE



WHAT GUESTS DON'T LIKE

- 1 Not being greeted promptly at the door.
- 2 Rude or indifferent treatment
- 3 Receiving the wrong change
- 4 "Here's your pizza."
- 5 Receiving the wrong order
- 6 Dirty or improperly dressed tables
- 7 "That's not my station."
- 8 Long waits
- 9 Being interrupted
- 10 No utensils with order



"KEEP THE MAGIC"

Vision Quest Makes Us the Best

- "V" Very friendly to Guests
- "I" I want to help Guests
- "S" Service the Guest immediately
- "I" Insure excellent products
- "O" Outgoing personalities
- "N" Never say no to a Guest
- "Q" Quality is our business
- "U" Use your talents
- "E" Every Guest leaves happy
- "S" Say hi and bye to our Guests
- "T" The Guests always get what they want

GUEST SATISFACTION

EVERY COMPANY TRIES TO ACHIEVE IT AND RELATIVELY FEW SUCCEED. WHAT DO COMPANIES NEED TO DO TO ATTAIN GUEST SATISFACTION?

We think the reason we need to serve the goals is that we have no customers. Our philosophy is that every person who visits us isn't just a customer, but is our Guest, someone whom we're glad to see and want to make happy. The good times that our Guests enjoy at our restaurants are nothing more than a by-product of being treated as if they were part of our family. Since families are at the core of our target audience, our job is to make the families that visit us part of our larger family.

You see, our service mission, "Every Guest leaves happy" – has become more than just a slogan. It represents the sincere desire of each member of our team to make each Guest's experience with us a happy one. We aren't just in the food and entertainment business – we're in the happiness business.

We're so firmly committed to accomplishing our service mission that we've analyzed the true meaning of each component of our mission.

"EVERY" Not most or a few of our Guests should have a great experience, but each parent or child who visits us. Our team is committed to achieving the 100% happiness of each Guest, whatever it takes.

"GUEST" – Guests are invited and welcomed, just as in one's home. They're the constant focus of our entire team. And they deserve to have great food and fun while they're with us.

"LEAVES HAPPY" We're not just after "customer satisfaction." We want

GUEST OBSESSION

GUESTS WANT TO BE TREATED WITH RESPECT – ACKNOWLEDGE THEIR PRESENCE.

GUESTS LIKE ENTHUSIASTIC SERVICE – SMILES ARE STILL IN VOGUE.

GUESTS EXPECT US TO KNOW OUR JOB.

GUESTS ARE CONSTANTS, STAR CAST MEMBERS FORGET.

GUESTS WANT STAR CAST MEMBERS WITH AUTHORITY.

GUESTS HONOR: "WE'VE ALWAYS DONE IT THIS WAY" OR "IT'S OUR CORPORATE POLICY."

GUESTS ARE NOT NUMBERS – THEY HAVE NAMES.

GUESTS WANT PROBLEMS HANDLED QUICKLY, EFFICIENTLY, AND WITH PROPER REMORSE.

GUESTS WANT THE WHOLE ORGANIZATION BROUGHT TO THEM.

GUESTS EXPECT TO GET WHAT WAS AGREED UPON.

GUESTS CAN TELL IF MANAGEMENT HIDES FROM THEM.

GUESTS CAN TELL IF MANAGERS AND STAR CAST MEMBERS DON'T KNOW WHAT'S GOING ON.

GUESTS KNOW WHAT THE SERVICE LEVEL IS.

GUESTS CAN FIGURE OUT WHERE MANAGEMENT'S ATTENTION IS.

GUESTS WANT IT PERFECT, THEY ARE NOT YOUR MOTHER.

GUESTS ARE ALWAYS THINKING.

GUESTS THINK COMPETITION IS JUST FINE.

GUESTS CAN SPOT APATHY IN A SECOND.

GUESTS CAN'T BE FOOLED.

GUESTS LOYALTY IS EARNED.

GUESTS EXPECT IT RIGHT THE FIRST TIME.

GUESTS KNOW, IT'S THE DETAIL THAT COUNTS.

GUESTS DON'T COMPLAIN, THEY JUST DON'T COME BACK.

GUESTS DON'T KNOW COMPANY JARGON.

GUESTS LIKE TO OFFER THEIR OPINION.



our Guests to be excited about their visit to our centers. We want them to be anticipating another visit to us as soon as possible.

At the heart of our attempt to provide Guest happiness are the people that serve the Guests. Our "people" strive to be the friends and entertainers of our Guests. They're a team dedicated to making each Guest welcome and pleased to be with us.



Our managers are graduates of our "Chuck E. Cheese's University", a part of our thirteen week education program, we take Guest relations to the front of their

responsibilities. Such managers in turn cultivate this "happiness" culture in their own restaurants, which ultimately leads to a great experience for the whole family. But development of our team members doesn't end with this initial training period. Since people are at the core of our concept, continual development is a major priority. Goal setting, coaching, and follow-up are emphasized at all levels.

When you're in the happiness business, you're in the entertainment business. Each of our team members is trained and coached to be more than an "employee" but to be part of the entertainment package. After all, we're the place "Where A Kid Can Be A Kid". We offer our younger Guests warm greetings, big hugs, and pleasant surprises during their visits. We gauge our success by the most obvious measurement – their smiles and laughter. For moms and dads, we provide quality menu items quickly and efficiently served to their table. If we're making them happy, we know they'll come back.

Even the best team of Star Cast Members can't overcome surroundings that aren't attractive, clean, and fun to spend time in. That's why we've upgraded and remodeled all of our restaurants in the last five years. And we're not done yet. But we'll really never finish improving our restaurants, because our Guests deserve the cleanest and brightest place to bring their family.

The members of our team are only the

beginning of our entertainment package. Our unique robotic animation stage show has been improved to provide a new level of entertainment and excitement to our young Guests.

Chuck E. Cheese has been and will continue to be the star of our show. A "live" Chuck E. show has been added in locations offering our young Guests an opportunity to see their talented friend sing and dance before their eyes!

Entertainment at our centers also means exciting games and rides. We search the world over for the latest developments in rides and skill games that will challenge and delight kids of all ages. It's important for kids to "win" and our skill games provide our young friends with fun as well as a challenging opportunity to test their skill talents.

To communicate our message to our Guests, we've continued to utilize an aggressive television-based marketing campaign. The description of our centers as a Place "Where A Kid Can Be A Kid" is at the heart of our marketing efforts. It describes the heart of our concept – wholesome, exciting family entertainment and food. We also continually interview our target audience through focus group analysis to accurately measure what our Guests are thinking and feeling about their experiences with us.

In addition to the units we've remodeled, we will open 30+ new Chuck E. Cheese's centers every year all across America and even internationally. These and other new stores are performing substantially beyond our system average. As a result, we've accelerated our expansion plans.

In conjunction with our remodeling of the restaurants, we've made our Guests the focus of other improvements. Our menu has been broadened and is now more attractive to family members, young and old.

Our determination to make our Guests happy has been incredibly successful. In the past five years, average weekly sales for all of our centers increased by 33%. Such dramatic increases in sales have also helped us experience improved operating margins and led to significant improvements in profitability.

KID-CHECK

KID-CHECK IS A SYSTEM TO ENSURE THAT "EVERYONE THAT COMES TOGETHER, LEAVES TOGETHER". EVERY FAMILY IS STAMPED WITH THE SAME NUMBER (IN REALLY COOL INVISIBLE INK), SO WE CAN MATCH THEM UP WHEN THEY LEAVE. BIRTHDAY PARTIES ALSO ALL GET STAMPED, BUT EACH HAS HIS OR HER OWN LETTER. MOM AND DAD CAN RELAX AND LET THEIR KIDS PLAY FREELY IN A SAFE, WHOLESOME ENVIRONMENT.

GREAT FOOD-GREAT SERVICE

"When Guests are made to feel important, given fast, friendly service, they buy more and come back."

KITCHEN STAR CAST MEMBERS

To make GREAT food and provide GREAT service to the frontline team (your Guests), remember "If you are not taking care of the Guest, you better be taking care of someone who is!"

SERVICE STAR CAST MEMBERS

Serve GREAT food and provide GREAT service to our Guests, and if we fall short in either area, do your best to take care of it and inform the Restaurant Operations Manager. Give Guests what they expect, give Guests something unique and distinctive.

YOU ARE NOW AN OFFICIAL MEMBER OF CHUCK E. CHEESE'S STAR CAST TEAM...

The Team Creates The Magic

**TOGETHER
EVERYONE
ACHIEVES
MAGIC**

FOOD & BEVERAGE OUR MENU

BON APPETIT!

PIZZA

Freshly mixed and bunned daily, our dough is the foundation of this most popular menu item. We serve four sizes to accommodate all appetites. We offer a wide variety of pizza toppings so that our Guests can choose to have their pizza just the way they like it. Our own zesty pizza sauce and a combination of real cheeses serve as the basis for each pizza and after we bake your pizza, we lip the crust with our garlic margarine to add a unique taste. We offer several set pizza combinations, such as our super combination, barbecue chicken, and vegetarian. Our most popular pizza choices are pepperoni, sausage, beef, super combination, and cheese.

SANDWICHES

Three delicious sandwiches compliment our pizza category. Our Italian submarine is served on a hoagie-style French roll topped with shaved deli ham, pepperoni, and provolone cheese, then baked until hot and juicy. Our Ham and Cheese is a bountiful portion of shaved deli ham and provolone cheese and then baked. We also serve an excellent chicken sandwich to compliment our sandwich menu. All sandwiches are then topped off with shredded lettuce, tomato slices, red onion, oil & vinegar, seasonings, and parmesan cheese. All sandwiches are served sliced with french fries. A meal by themselves, our sandwiches offer our Guest an alternative to our popular pizza.

SALAD BAR

A tremendous focal point to our Guests, our salad bar is a statement to our product quality. The



freshest ingredients make up our self-serve salad bar. By the bowl or plate, we start you off with a huge bowl of lettuce mix, spinach, fresh vegetables & fruit, pasta salads, and top it off with five premium dressings. Toppings include croutons, sesame seeds, and raisins. It's considered one of the best salad bars in the industry. Our moms love it...

OTHER FOOD

We also serve some awesome BuffaloWings, Mozzarella Sticks, French Fries, and Breadsticks. They are a great compliment to our salad bar! Our kids love 'em, too!

BEVERAGE BAR

Our self-serve beverage bar offers all flavors of Coca-Cola products, including Coca-Cola, Diet Coke, Cherry Coke, Sprite, Minute Maid Orange, and Pink Lemonade. We also offer a full range of caffeine-free soft drinks for Mom. In addition, we offer coffee, ice tea, and water. We have soft drinks with free refills available to accommodate our kids and adults. Our lids are readily available with straws, so the beverages stay in the cups. Remember: WHERE A KID CAN BE A KID*!!

COTTON CANDY

A favorite with the kids, we serve this sweet treat at our merchandise counter. We make it fresh daily and pre-bag a generous portion in five flavors and colors. Yum! Yum!

BROWNIE

For the sweet tooth in all of us, we offer this dessert on our counter as an after dinner treat or with the meal. A chocolate cake brownie loaded with nuts and covered with chocolate icing. Isn't chocolate the fifth basic food group?!!

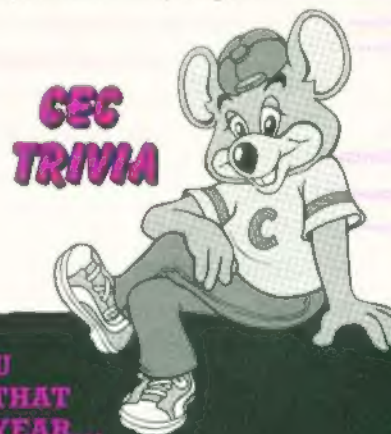
BIRTHDAY

Our Birthday program is the best in the business, bar none. For a great low price, each birthday Guest gets the works: pizza, soft drinks, the show, party accessories, tokens, fun, birthday cake, a personal visit from Chuck E. Cheese, a live show, a reserved table for 90 minutes, a Birthday host or hostess etc.—and we clean up the mess! Let the fun begin...Happy Birthday from Chuck E. Cheese!



BEER AND WINE

As an accommodation to our adult Guests, we offer beer and wine to serve as a compliment to our menu in most restaurants. We serve beer, chablis, and rose wine by the glass.



DID YOU KNOW THAT EVERY YEAR...

- 25,000,000 lbs. (680,272 bags) of dough is used?
- Our Guests drink 5,000,000 gallons of Coke products?
- We hold 892,860 Birthday Parties?
- 5,200,000 bags of Cotton Candy are eaten?
- 5,200,000 lbs. of pepperoni is used?
- 1,500,000,000 game tickets are distributed?
- 10,000,000 lbs. of cheese is served every year?
- Each store opens with 120,000 tokens?
- We have over 20,000 Star Cast Members in our concept?
- We will spend over 23 million dollars in advertising this year?

A SHORT

HISTORY OF **CHUCK E. CHEESE**

1984 Chuck E. Cheese's merges with ShowBiz to create ShowBiz Pizza Time Inc.

1985 Under new leadership, unprofitable units are closed, financial restructuring is undertaken, and a new focus is placed on food quality, guest satisfaction and marketing.

1986 Sales increase as restaurants are remodeled and a new marketing strategy begins.

2000 300th location opens!

1998 Show Biz changes name to CEC Entertainment, Inc. and moves from NASDAQ to NYSE.

1980 The first ShowBiz Pizza restaurant opens in Kansas City.

1977 The first Chuck E. Cheese's Pizza Time Theatre opens in San Jose, California

1987 Sales and unit growth continue to increase.

1989 ShowBiz Pizza Time becomes publicly traded.

1992 Chuck E. Cheese's celebrates 28 consecutive quarters of real estate growth, with 45 new units since 1990!

1994 New president implements aggressive redesign, remodeling, and expansion strategy that keeps us growing today!

1997 Chuck E. Cheese's celebrates 20 years of success as the leader in family, food and entertainment industry!

WE TAKE OUR FUN SERIOUSLY AND THAT'S WHY FAMILIES CONTINUE TO LOOK TO US FOR VALUE AND QUALITY. PARENTS AND KIDS BOTH FEEL GOOD ABOUT THE CONSISTENCY WE OFFER AS THE NATION'S LEADER IN FOOD AND ENTERTAINMENT. OUR BUSINESS MAY BE CENTERED ON FUN AND GAMES, BUT OUR MISSION IS A SERIOUS ONE.

"EVERY GUEST LEAVES HAPPY."



1977

**THE FIRST
CHUCK E. CHEESE'S
PIZZA TIME THEATRE
OPENS IN SAN JOSE,
CALIFORNIA**



CHUCK E. CHEESE'S®

Where A Kid Can Be A Kid.®

www.chuckecheese.com

CEC
Listed
NYSE

CEC'S STARCAST MEMBER HANDBOOK

Date of Origin: 2002
Archived: 9-30-22
Submission by VegaNova
Version 1.0

The documents contained herein are for educational use only.
Please do not replicate, redistribute, or make any unauthorized
printings. All intellectual property including characters,
artwork, photography, and slogans are trademark and/or
copyright their respective owners.

